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CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

U.S. Economy Said Moving in Right Direction *[KYODO]* 1
CPC General Secretary Jiang Zemin Plans Visit *[KYODO]* 1
Government To Allow Untied Bank Loans to CIS *[KYODO]* 1
Aid to Central Asian CIS Republics Considered *[KYODO]* 2
Funds To Halt CIS 'Brain Drain' Discussed *[KYODO]* 2
Mission To Study Russia's Distribution System *[KYODO]* 2
Landsbergis Says Russian Troop Withdrawal Slow *[KYODO]* 3
Kakizawa Urges Resumption of Aid to Vietnam *[KYODO]* 3
Consul to South Africa Reappointed Ambassador *[KYODO]* 4
SDP Decides To Question Member About Sagawa *[KYODO]* 4
Yasutsune Admits Receiving Money *[KYODO]* 4
Four Executives Indicted in Tokyo Sagawa Case *[KYODO]* 5
Cabinet Presented Measures To Stimulate Economy *[KYODO]* 6
Advance Placement of Public Works Orders Urged *[KYODO]* 6
Finance Minister: Capital Spending Weakening *[KYODO]* 6
Tertiary Industry Growth 'Slowest in 17 Years' *[KYODO]* 7
Miyazawa: No Tokyo Intervention in Wage Talks *[KYODO]* 7
Survey Shows Sharp Drop in Business Confidence *[KYODO]* 7
Communications Satellite in Geostationary Orbit *[KYODO]* 7
NEC Develops 12.9-Inch Color LCD Prototype *[KYODO]* 8

North Korea

U.S. 'Attitude' on Nuclear Inspection Criticized *[Pyongyang TV]* 8
Implementing Denuclearization Declaration Urged *[Pyongyang Radio]* 9
Members of North-South Subcommittees Listed *[KCNA]* 10
No Tae-u Remarks on Summit Called 'Perfidy' *[KCNA]* 11
South Urged To End 'Security-Oriented Rule' *[KCNA]* 12
Daily Denounces Japan on 'Comfort Girl' Issue *[KCNA]* 12
New Japan-DPRK Friendship Group Holds Meeting *[KCNA]* 13

South Korea

South, North Sides Meet 6 Mar; Unable To Agree *[Seoul Radio]* 13
More on Contact *[YONHAP]* 13
Inter-Korean Subcommittee Members Appointed *[YONHAP]* 14
Kim Chong-il Allegedly 'Assassinated' Minister *[CHOSON ILBO 6 Mar]* 15
North 'Difficulties' Paying for CIS Arms Noted *[MAEIL KYONGJE SINMUN 6 Mar]* 15
Trade Deficit in North Reaches $1 Billion in 1990 *[YONHAP]* 15
PRC To Use Formal Name, Flag at Seoul Fair *[YONHAP]* 16
Japan's Protest of Fishery Agreement Viewed *[THE KOREA HERALD 6 Mar]* 16
Foreign Minister Urges More 'Economic Diplomacy' *[THE KOREA HERALD 6 Mar]* 16

SOUTHEAST ASIA

Burma

SLORC Government Changes Reported 18

New Forestry Affairs Minister Named *[Rangoon Radio]* 18
Two Commanders Named Ministers *[Rangoon Radio]* 18
Ministry Reorganized *[Rangoon Radio]* 18
New Adjutant General Appointed *[Rangoon Radio]* 18
Karen Group Calls Khun Sa Link 'Totally Absurd' *[Bangkok THE NATION 6 Mar]* 18
Karen Camp Opposite Mae Sot Under Barrage *[Bangkok BANGKOK POST 6 Mar]* 19
Iranian Ambassador Views Plight of Muslims *[Tehran Radio]* 19

Brunei, Malaysia & Singapore

Malaysia

Radio Hails Bilateral Trade Ties With U.S. *[Kuala Lumpur International]* 19
U.S. Plan To End Rubber Trade Privileges Noted *[BERNAMA]* 20
King Installs New Ambassador to Burma *[BERNAMA]* 20

Cambodia

Sihanouk Visit to Liberated Zone Discussed *[Radio VGNUFC]* 20
Sihanouk Meetings With Foreign Officials Noted 21
French Parliamentarians Pay Visit *[SPK]* 21
Polish Envoy Presents Credentials *[SPK]* 21
Sar Kheng Chairs Political Meeting in Kandal *[Phnom Penh Radio]* 21
Khmer Rouge Repatriation Practices Discussed *[AFP]* 21
SRV Preparing Another 'Large-Scale' Offensive *[Radio VGNUFC]* 22
SRV Accused of Annexing Parts of Ratanakiri *[Radio VGNUFC]* 22

Indonesia

More on 'Politically-Charged' Peace Boat Visit 23
Passengers Arrive in Darwin *[ANTARA]* 23
Australia Asked 'To Do Something' *[Jakarta Radio]* 23
Handling of Voyage Supported *[ANTARA]* 23
More on Economic Accords Signed With Thailand 24
Results Called 'Favorable' *[ANTARA]* 24
Team To Study Gas Supply *[ANTARA]* 24
Attack by 30 Irian Separatists Repulsed *[ANTARA]* 25

Laos

Visiting Officials, Delegations Hold Meetings 25
Thai Minister Urges Cooperation *[Vientiane Radio]* 25
Thai Group Views Narcotics Control *[Vientiane Radio]* 25
Inspection Agreement With SRV Noted *[Vientiane Radio]* 25
Kaysone Phomvihan Greets Bulgarian National Day *[Vientiane Radio]* 26

Philippines

Out-of-Court Agreement With Westinghouse Reached *[THE CHRONICLE 6 Mar]* 26
'Boorish' U.S. Policy Seen on Subic Issues *[PHILIPPINE DAILY INQUIRER 6 Mar]* 28
Foreign Minister Reiterates Claim to Spratlys *[AFP]* 28
Kidnappers Release Video of American Executive *[PHILIPPINE DAILY INQUIRER 5 Mar]* 28
Police Claims Kidnappers Identified *[BUSINESS WORLD 6 Mar]* 29
Comelec Rules Imelda Marcos' Candidacy Valid *[THE CHRONICLE 6 Mar]* 30
Comelec To Assign More Protection in Hotspots *[Quezon City Radio]* 30
CPP Leader Sees Moves To End Insurgency War *[PHILIPPINE DAILY INQUIRER 5 Mar]* 30
Aquino Denies Negotiating *[Manila Radio]* 31

Thailand

PRC Science Delegates Call on NPKC Chairman *[Bangkok TV]* 31
Patrol Clashes With Vietnamese Pirates in Gulf *[Bangkok TV]* 31
Oman Oil To Buy Shares in Refinery Project *[THE NATION 6 Mar]* 32
Animal Smugglers Blamed for Imposition of Ban *[BANGKOK POST 6 Mar]* 32
Party Official Opposes Interference in Election *[THE NATION 6 Mar]* 33
Rift in SAP Said To Widen as Election Nears *[THE NATION 6 Mar]* 34
Recent Cabinet, Assembly Decisions Criticized *[THE NATION 6 Mar]* 35
Purchase of Swiss Turboprop Trainers Planned *[THE NATION 6 Mar]* 36

Vietnam

Vo Van Kiet Receives Solomon-Led Delegation *[Hanoi Radio]* 36
Commentary Views Outcome of Visit *[Hanoi International]* 37
Joint News Conference Held *[VNA]* 38
Official Hopes for Diplomatic Ties With ROK *[Seoul CHUNGANG ILBO 3 Mar]* 38
Vo Van Kiet Receives Thailand's Anan Letter *[VNA]* 39
Yunnan Province Delegation Leaves for Home *[Hanoi TV]* 39
Bulgarian Envoy's National Day Statement Reported *[Hanoi TV]* 40
Chairman at Hieroglyphic Script Studies Institute *[Hanoi Radio]* 40
Radio Reviews International Ties *[Hanoi Radio]* 40
Writer Defends Socialist Choice *[Hanoi Radio]* 42

AUSTRALASIA

Australia

Russian Group Promises To Repay USSR Debts *[AFP]* 45
Indonesians Barred From Joining Peace Boat *[AFP]* 45

Papua New Guinea

Minister Orders Inquiry Into Soldiers' Rampage *[Melbourne International]* 45

Japan

U.S. Economy Said Moving in Right Direction

OW0603045892 Tokyo KYODO in English 0411 GMT 06 Mar 92

[Text] Tokyo, March 6 KYODO—The American economy is slowly moving in the right direction, former Japanese Ambassador to the United States Nobuo Matsunaga said Friday.

He said the White House is actively engaged in the reelection campaign of President George Bush, despite reports that conservative commentator Pat Buchanan has made strong showings in primary elections.

Matsunaga said he made the observations during a meeting with Prime Minister Kiichi Miyazawa.

CPC General Secretary Jiang Zemin Plans Visit

OW0603005592 Tokyo KYODO in English 0041 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—Chinese Communist Party General Secretary Jiang Zemin will pay an official visit to Japan April 6- 10, the Japanese Government announced Friday.

Foreign Ministry officials said that during Jiang's stay he will hold talks with Prime Minister Kiichi Miyazawa and will be received in an audience with Emperor Akihito.

The Chinese leader will also meet with leaders of the Federation of Economic Organizations (Keidanren) and hold a news conference while in Tokyo, the officials said, adding that he is scheduled to visit other Japanese cities before returning to China.

Officials said the visit is considered one of the key events scheduled for this year to commemorate the 20th anniversary of the full normalization of relations between Tokyo and Beijing.

The possibility of another key event, a trip to China by Emperor Akihito in autumn, will be made clearer during Jiang's visit, according to top ministry sources.

Chinese Ambassador to Japan Yang Zhenya recently suggested to reporters that it would be good for bilateral relations if the emperor were to express his sorrow for Japanese military actions in China preceding and during World War II.

Jiang's visit will follow regular bilateral consultations involving the nations' deputy foreign ministers on March 16-17 in Beijing. The talks will be the 12th of their kind, following the last meeting in Tokyo in March 1991.

Jiang, who assumed his current post in June 1989, visited Japan in May 1985 when he was serving as head of the Chinese Government office of electronics industry.

Sino-Japanese relations have recently been strained by a Chinese Government move to declare sovereignty over the Senkaku Islands held by Japan.

Japan has vigorously protested the Chinese people's assembly's February 26 declaration of a law on territorial waters and adjacent waters.

One article of the law stipulates the area of Chinese territory, and includes the Senkaku Islands, known as Diaoyutai in China, as well as the Spratly Islands which are claimed entirely or in part by Malaysia, the Philippines, Taiwan, Vietnam, and Brunei.

The law also authorizes the Chinese military to repel by force foreign ships found in the waters surrounding the claimed territories.

Government To Allow Untied Bank Loans to CIS

OW0603084492 Tokyo KYODO in English 0819 GMT 06 Mar 92

[Text] Tokyo, March 6 KYODO—Japanese banks will be allowed to make untied loans to former Soviet republics, ending a de facto ban on such loans to the Soviet Union, Finance Ministry officials said Friday.

The officials said the decision to authorize untied loans to the Commonwealth of Independent States (CIS), or the former Soviet Union, was made because the collapse of the Soviet Union and the end of the cold war have made it unlikely that the loans will be used for military purposes.

The officials noted Russia and Ukraine, among the CIS republics, have announced plans to cut back on their nuclear arsenals.

Untied loans may be used for any purpose by the borrowing country.

The ministry had effectively banned untied loans to the Soviet Union under administrative guidance since the late 1980s.

The ministry decision, however, will not lead to an immediate lending of untied loans to the CIS republics, because the CIS and a syndicate of Western banks are currently negotiating to reschedule the debt repayments of the former Soviet Union, the officials said.

They said Japanese banks are likely to consider providing untied loans to the CIS as soon as the current CIS economic and monetary uncertainties are cleared.

The Bank of Tokyo, among Japanese commercial banks, had made untied loans worth billions of yen to the Soviet Union until the mid-1980s.

But the U.S. Government asked Japan in 1988 to ban the loans to the Soviet Union because of its continued military expansion, the officials said. Japan accepted the request.

Aid to Central Asian CIS Republics Considered

OW0603094792 Tokyo KYODO in English 0859 GMT 06 Mar 92

[Text] Tokyo, March 6 KYODO—Japan is considering extending official development assistance (ODA) to five republics of the former Soviet Union, government officials said Friday.

The five republics are Kazakhstan, Turkmenistan, Kyrgyzstan, Tajikistan, and Uzbekistan, the officials said.

Tokyo is pressing the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), representing industrialized countries, to recognize the republics as "developing nations" so they will be eligible for the assistance, they said.

Japan may submit its proposal to a DAC meeting in April at the earliest, they said.

The government intends to complete a concrete plan in time for Foreign Minister Michio Watanabe's trip to Russia scheduled in May.

Japan plans to channel the assistance to central Asian republics instead of the three Slavic republics of Russia, the Ukraine, and Belarus and Moldava and Azerbaijan, which are experiencing ethnic tensions.

By allowing the republics to become recipients of ODA, Japan can help them democratize and shift their economies toward market-oriented ones, the officials said.

Up to now, Tokyo has based assistance to the region on the return to Japan of four islands off Hokkaido the Soviet Union seized just prior to the end of World War II.

But the government's plan is expected to run into opposition from not only aid recipient countries in the Southern Hemisphere but also from some industrialized nations that may object to the infusion of aid to the republics and Eastern Europe.

The central Asian republics, which are experiencing an economic crisis stemming from the demise of the former Soviet Union, desperately need money to shift to market economies, the officials said.

Funds To Halt CIS 'Brain Drain' Discussed

OW0603103792 Tokyo KYODO in English 0930 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—Japan will send a senior official to an international conference next week to endorse creating a center in Moscow aimed at keeping former Soviet nuclear experts from going to the Third World, a Foreign Ministry spokesman said Friday.

Deputy Foreign Minister Koichiro Matsuura will represent Japan at the Wednesday conference in Brussels during his trip there to attend high-level consultations between Japan and the European Community (EC), spokesman Masamichi Hanabusa said.

U.S. Secretary of State James Baker, Russian Foreign Minister Andrey Kozyrev, and German Foreign Minister Hans-Dietrich Genscher are expected to represent the three countries that proposed the international science and technology center.

Hanabusa told foreign correspondents that Foreign Minister Michio Watanabe cannot attend the meeting because of pressing Diet business.

The center was proposed last month to facilitate efforts at preventing a proliferation of materials and a "brain drain" of know-how related to weapons of mass destruction in the wake of the disintegration of the Soviet Union.

It aims to engage 3,000 to 4,000 former Soviet nuclear weapons experts in peaceful research.

The United States has pledged 25 million dollars toward the center, which reportedly would cost some 100 million dollars over three years, and the EC has reportedly decided to match that amount.

Japan has reportedly been asked by the U.S. to follow suit, but Foreign Minister Watanabe said last week that it would be "out of proportion" for Japan to pay as much as the U.S.

"The question is whether Japan is as big as the United States, or the European Community combined [words indistinct] up the same amount," Hanabusa said.

"I think many Japanese feel that 25 million (dollars) is too big a figure," the spokesman said.

Asked about a media report Friday that Japan would be putting up some 10 million dollars, he said no amount has been formally decided and may not be settled by the time of the conference.

Mission To Study Russia's Distribution System

OW0603105292 Tokyo KYODO in English 1020 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—A Ministry of International Trade and Industry (MITI) mission will visit Russia March 19 to 29 to seek ways to modernize the inefficient distribution system there and to make goods more steadily available for Russian consumers, ministry officials said Thursday.

The mission, sponsored by MITI jointly with the private sector, plans to hold a seminar in Moscow on Japan's distrubution mechanism.

The planned seminar will include presentations by Japanese experts on Japan's wholesale systems in sectors dealing in foodstuffs, production goods, and daily necessities, the officials said.

The seminar will also feature discussions between the Japanese delegation and the Russian participants over how state-run wholesale and retail companies should be privatized to create a more competitive environment in the Russian distribution system.

After inspections of Moscow and St. Petersburg, the mission is also expected to compile recommendations on measures the Russian Government should take to redress the chronic shortage of goods on store shelves.

Landsbergis Says Russian Troop Withdrawal Slow

OW0603092392 Tokyo KYODO in English 0911 GMT 06 Mar 92

[Text] Tokyo, March 6 KYODO— Lithuanian Supreme Council President Vytautas Landsbergis criticized Russia on Friday for going slow on the withdrawal of former Soviet troops from Lithuania.

Landsbergis, speaking at a news conference at the Japan National Press Club, said "Illegal stationing (of troops) on our soil" is a major problem after Lithuania achieved independence last September.

Landsbergis said some 60,000 former Soviet troops are still stationed in Lithuania, with military bases in the capital Vilnius and in other main cities.

The Lithuanian leader, who is visiting Japan on an unofficial five-day trip through Monday, said Russian President Boris Yeltsin agreed in January to start removing the troops immediately, but Russia had not withdrawn any troops until Monday and then only 100 personnel were removed.

He said he thinks the removal of the small unit "was done in connection with the coming session of NATO conference in Brussels."

The North Atlantic Treaty Organization (NATO) will hold a meeting of the North Atlantic Cooperation Council (NACC) on March 10 and one of the topics to be discussed is the removal of former Soviet forces from Baltic states.

Landsbergis suggested to reporters that the 100 troops were removed so that "Russian officials could say the removal began" at the conference, and compared it to "a TV removal."

He also said Lithuania is planning to hold a referendum in May to decide whether to restore the post of president in the government.

He said if the presidency is given a green light by the referendum, a presidential election could take place as early as this fall.

He noted, however, that there are some voices among the Lithuanian public expressing doubt as to whether the presidency need really be restored, or would really contribute to the economic reform under way in Lithuania.

Landsbergis, who is one of the presidential hopefuls, said he personally thinks the post is necessary in Lithuania because there are very few republics without presidents nowadays.

Kakizawa Urges Resumption of Aid to Vietnam

OW0603082192 Tokyo KYODO in English 0803 GMT 06 Mar 92

[Text] Tokyo, March 6 KYODO—The time has come for Japan to resume full economic assistance to Vietnam, parliamentary Vice Foreign Minister Koji Kakizawa said Friday.

Kakizawa, a House of Representatives Liberal Democratic Party (LDP) member, told reporters at the Foreign Correspondents Club of Japan that he wants Japan to resume full assistance to Vietnam for reconstruction of the country's infrastructure "at least by the end of this year."

Kakizawa said Vietnam should no longer be kept isolated, considering that its people are in desperate straits, its economy is becoming market-oriented, a Cambodian peace settlement has been reached, and the six-member Association of Southeast Asian Nations (ASEAN) has accepted it as an economic partner.

"Therefore, we believe that for Japan the time has come to cooperate with them," he said.

Foreign Ministry spokesman Michio Hanabusa indicated to foreign correspondents Friday that a resumption of economic aid may be coupled with a settlement on Vietnam's accumulated debt to Japan, which is the main technical obstacle.

"I think the general sort of agreement is that various matters must be settled in a package," Hanabusa said. The package might include economic aid in addition to humanitarian aid which already is exempted from the freeze, he said.

Japan suspended Official Development Assistance (ODA) to Vietnam in early 1979 after Vietnam invaded Cambodia.

At the insistence of the United States, Japan has reluctantly stalled on resuming ODA to Vietnam until the issue of American soldiers missing-in-action (MIA) and taken prisoner-of-war (POW) during the Vietnam War is resolved.

Kakizawa acknowledged that Japan is sympathetic to the MIA/POW issue and said it intends to continue consulting closely with the U.S. on its Vietnam policy.

He said that when he visits Vietnam later this month, "I will continue to persuade the Vietnamese Government to assist the U.S. effort for MIA/POW as much as possible."

Before his March 17 trip, Kakizawa is scheduled to meet in Tokyo with U.S. Assistant Secretary of State Richard Solomon, who is now visiting Vietnam, Laos and Cambodia.

Kakizawa welcomed news that "significant progress" was made in Solomon's talks in Hanoi on MIA/POW and other humanitarian issues.

He lauded Solomon's pledge that the U.S. would send 3 million dollars in humanitarian aid to Vietnam as "a good sign that the US.-Vietnamese relationship will be improved."

Kakizawa, however, predicted that the issue of normalization of Washington-Hanoi relations will be touchy during the presidential elections because of opposition from some quarters in the U.S., such as veterans' groups.

Consul to South Africa Reappointed Ambassador

OW0603005092 Tokyo KYODO in English 0027 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—Japan has reappointed its consul general in Pretoria, Masayoshi Ota, as its ambassador to South Africa, the government said Friday.

Foreign Ministry officials said the step was taken in line with Japan's decision on January 13 to establish full diplomatic relations with South Africa and to exchange ambassadors as soon as possible.

Japan had kept its relations with South Africa at the consular level as a sign of protest against the white minority government's system of apartheid.

Officials said the Japanese consulate general in Pretoria was redesignated as the Japanese Embassy on February 1.

SDP Decides To Question Member About Sagawa

OW0503064592 Tokyo KYODO in English 0547 GMT 5 Mar 92

[Text] Tokyo, March 5 KYODO—The leadership of the Social Democratic Party (SDP) decided Thursday to question a party member of the House of Councillors in connection with a press report that he had received contributions from Tokyo Sagawa Kyubin Co., the scandal-tainted parcel delivery company, party officials said.

Ryoichi Yasutsune, who was elected three times to the upper house, was reported by a weekly photograph magazine to have received funds from Tokyo Sagawa Kyubin, which is alleged to have distributed a huge amount of money among politicians of both the ruling and opposition parties.

The leadership of the SDP, the largest opposition party, also decided to investigate whether any other Diet members of the party received money from the Sagawa Kyubin Group.

Kazuko Yoshida, an SDP member of the House of Representatives, has already acknowledged selling some 5 million yen worth of tickets for a fund-raising party to Hircyasu Watanabe, former president of Tokyo Sagawa Kyubin, who was arrested February 14 on suspicion of involvement in a massive loan and loan-guarantee scandal. Yoshida resigned from the party's leadership body, the central Executive Committee, following the revelation.

In a related development, Posts and Telecommunications Minister Hideo Watanabe denied Thursday a newspaper report that he had received further cash donations from Recruit Co., the information conglomerate at the center of the 1988-89 shares-for-favors scandal that forced the resignation of former Prime Minister Noboru Takeshita. Watanabe has already acknowledged receiving 8 million yen from Recruit.

In its Thursday morning edition, the major daily ASAHI SHIMBUN reported that Watanabe had accepted 2 million yen from Recruit in December 1987 besides the 8 million yen he had earlier acknowledged receiving from the scandal-ridden firm. Watanabe made the denial at a meeting of the lower house committee on communications in response to a question by an SDP member.

Yasutsune Admits Receiving Money

OW0603133092 Tokyo KYODO in English 1248 GMT 6 Mar 92

[Text] Tokyo, March 6 (KYODO)—The Social Democratic Party (SDP) said one of its legislators acknowledged Friday he accepted 5 million yen from the scandal-tainted Sagawa Kyubin Group of companies.

On the day the former President of the Tokyo Sagawa Kyubin Co. unit of the parcel-shipping firm was indicted on breach-of-trust charges, Ryoichi Yasutsune told the SDP leadership probing an alleged involvement in a current election-funding scandal that he accepted the money, party officials said.

But Yasutsune, who was a member of the House of Councillors' Transport Committee when he took the money, reportedly denied giving any special favors to Sagawa Kyubin by toning down his questioning in the Diet on matters related to the company.

He was quoted as saying there was "nothing about which I have to feel remorseful" but pledging to review his conduct.

Recent media reports have said Yasutsune allegedly softened his questions to the government in 1989 Diet panel sessions dealing with the trucking firm from his earlier, tougher stance.

Sadao Yamahana, general secretary of the largest opposition party, vowed the SDP would uncover the details of Yasutsune's involvement in the Tokyo Sagawa Kyubin scandal, in which the company allegedly handed out

several billion yen to dozens of legislators in both the ruling and opposition parties.

"We want the public to judge our party in view of our sincere attitude by which we would report the findings of our investigation (into the matter)," Yamahana told a news conference.

Yamahana declined to say whether he believes Yasutsune accepted the money in connection with his Diet questioning. "Let me comment after probing the matter a bit further," he said.

In 1987 and 1988 sessions of the upper house Transport Committee, Yasutsune urged the government to penalize Sagawa Kyubin for allegedly evading taxes and circumventing laws curbing illicit overwork.

As a result, the Labor Ministry and the National Tax Administration investigated and penalized the firm's affiliates for breach of related regulations.

In June 1989, Yasutsune "borrowed" the 5 million yen from a Fukuoka-based subcontractor of the Sagawa Group to finance his election campaign, the party officials said. Yasutsune is from Fukuoka but was elected under a proportional representation system.

That same month, he again questioned the government about alleged irregularities within the trucking group, Japan's second-largest.

In a January interview with KYODO News Service, Yasutsune said, "When a trucking company entrusted with delivering Sagawa-consigned cargo asked me whether the authorities would investigate the company's operations, I assured the company not to worry about it, saying I did not tell the authorities to probe subcontractors' business."

The legislator returned the money to the Sagawa affiliate by the December 31, 1991 deadline, the officials said.

Four Executives Indicted in Tokyo Sagawa Case

OW0603065792 Tokyo KYODO in English 0454 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—Prosecutors on Friday indicted the former president of Tokyo Sagawa Kyubin Co. and three others on charges of aggravated breach of trust which resulted in a 64.5 billion yen loss for the parcel delivery company.

Indicted are the former Tokyo Sagawa president, Hiroyasu Watanabe, 57, and Jun Saotome, 53, a former managing director of the company. Also indicted are Yasuo Matsuzawa, a 40-year-old president of medical equipment sales firm Heiwado Co, and Michio Ouchi, 40, an employee of golf course developer Ichihara Tourism Development Co.

The four men were arrested February 14.

The aggravated breach of trust charges were filed under the commercial code referring to crimes committed by company executives, and conviction on such charges could lead to a prison sentence of up to seven years.

According to the indictment, Watanabe and Matsuzawa inflicted a total of 24.5 billion yen damage on Tokyo Sagawa by providing direct loans or loan guarantees to the Heiwado Group between 1989 and 1991.

At that time, the 10 companies of the Heiwado Group were suffering from huge debts due to failed stock market dealings.

The Tokyo District Public Prosecutors' Office also said that Saotome, the de facto owner of Ichihara Tourism Development, and Ouchi received loans totaling 40 billion yen under Tokyo Sagawa loan guarantees.

Watanabe and Saotome were involved in stock deals through Heiwado and Ichihara Tourism Development, and they used money obtained from Tokyo Sagawa loans and loan guarantees, the prosecutors said.

In the Tokyo Sagawa Scandal, about 100 billion yen was allegedly provided to companies affiliated with Susumu Ishii, the late boss of the Inagawa-kai, the country's second-largest Yakuza syndicate.

A huge amount of money was also reportedly distributed among politicians from both ruling and opposition parties.

Tokyo Sagawa Kyubin is a core company of the Sagawa group of trucking companies, which was set up in 1977 and capitalized at 130 million yen. It employs about 3,700 people.

Meanwhile, in what appeared to be an indication of links between the government and Sagawa Kyubin, the Transport Ministry on Thursday confirmed a newspaper report that the ministry gave 13 member firms of the Sagawa Kyubin group advance notice of a 1989 special investigation into alleged excessive working hours and transport law violations.

As a result of the advance notice, Tokyo Sagawa Kyubin, one of the 13 firms, scrambled to check attendance reports on its employees, and got only a mild "verbal warning" about the company's inattention to roll calls, the MAINICHI SHIMBUN said in a front-page article.

Transport Minister Keiwa Okuda, speaking at a session of the House of Representatives Budget Committee, said there was nothing wrong about the advance notice.

"(The ministry's) special inspection is a kind of administrative guidance, and not a search by police. There is no problem even if an advance notice is served," Okuda said.

The Sagawa Kyubin group has been at the center of a growing loan scandal involving an unspecified number of politicians.

In a related development, the ASAHI SHIMBUN reported Thursday that Social Democratic Party [SDP] legislator Ryoichi Yasutsune received a 5 million yen loan from an affiliate of the Sagawa Kyubin group in 1989.

Yasutsune, an SDP member in the House of Councillors, got the loan just before a Diet hearing in which he was to raise questions relating to another Sagawa Kyubin subsidiary, the ASAHI said.

SDP officials, confirming the report, said Yasutsune had already returned the money by the December 31 repayment deadline.

Cabinet Presented Measures To Stimulate Economy

OW0603014792 Tokyo KYODO in English 0119 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—Chief Cabinet Secretary Koichi Kato reported to the cabinet Friday on a package of measures agreed on the previous day to stimulate Japan's slowing economy.

Prime Minister Kiichi Miyazawa and his economic-related ministers met Thursday and agreed on the measures, which include placing orders in advance for public works spending.

They also agreed on execution of the fiscal 1991 supplementary budget, enhancement of financial support by government institutions to small- and medium-sized corporations, promotion of plant and equipment spending, including that of electric power companies, and measures by local governments to stimulate regional economies in fiscal 1992.

Advance Placement of Public Works Orders Urged

OW0603063592 Tokyo KYODO in English 0514 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—Prime Minister Kiichi Miyazawa urged his cabinet's colleagues Friday to make efforts for early placement of orders for public works spending to stimulate the nation's economy.

Miyazawa made the request at a regular cabinet meeting.

A cabinet meeting of ministers on economic issues adopted a comprehensive package of five-point pump-priming measures, including an early implementation of public works projects Thursday evening.

The premier also called for early execution of the fiscal 1992 national budget as soon as it is passed by the Diet, or the Japanese parliament.

Miyazawa suggested increased spending in the utilities sector, such as by electric power companies.

Construction Minister Taku Yamazaki responded to Miyazawa's request by saying that the ministry is preparing for early launching of fiscal 1992 public works spending, while it will try for complete execution of the fiscal 1991 supplementary budget.

Yamazaki added that the country is basically short of labor, but labor conditions have eased slightly recently and it should not hinder execution of the public works spending.

Labor Minister Tetsuo Kondo, meanwhile, proposed efforts to cut working hours by promoting investment in rationalization.

Finance Minister: Capital Spending Weakening

OW0603030792 Tokyo KYODO in English 0248 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—Finance Minister Tsutomu Hata said Friday that corporate capital spending in Japan is now weaker than it was at the time of the official discount rate cut last December.

"Capital investments are not brisk now, they are even weaker compared with the time when we cut the discount rate before," Hata said at a press conference after a regular cabinet meeting.

Asked if he thinks a further easing of monetary policy is required to support the economy, he said, "the Bank of Japan (BOJ) will decide."

Speculation is growing in the market that the central bank will soon lower the official discount rate again to provide a monetary boost to the faltering economy.

The BOJ has cut the benchmark lending rate three times since July last year, with the most recent reduction on December 30 bringing it down to 4.5 percent per annum.

Hata said the government should keep studying the actual monetary conditions at every level of the economy, and make a "comprehensive judgment" on the monetary policy, taking account of the information and various economic indicators.

He reiterated, however, that the current base rate level is "appropriate," arguing that what really matters for the economy is that market rates decline, rather than the level of the official discount rate.

Hata also suggested that the Group of Seven (G-7) major industrial countries favor the yen's exchange rate against the U.S. dollar at around 125 yen.

The G-7 finance ministers and central bankers showed positive reaction to the yen's rate at the time when they met in New York in late January, when the yen was trading at around 125 yen, he said.

Hata told reporters immediately after the press conference that the important thing is that the currency market should reflect the economic fundamentals of each nation more faithfully.

"The yen's strength has been well accepted in Japan," he said.

Tertiary Industry Growth 'Slowest in 17 Years'

OW0503112192 Tokyo KYODO in English 1105 GMT 05 Mar 92

[Text] Tokyo, March 5 KYODO—The year-on-year growth of Japan's tertiary industries in 1991 was the slowest in 17 years at 3.0 percent, the Ministry of International Trade and Industry (MITI) reported Thursday.

The growth rate represents the poorest showing since a 1.2 percent fall was recorded in 1974.

The business activity index for the industries, which cover most businesses excluding manufacturing and farm industries, stood at 135.0 against 100 in the base year of 1985.

MITI officials said business was slow in the securities and real estate industries due to the collapse of the so-called "bubble economy" which saw stock and real estate prices skyrocket in the late 1980s.

Business in the securities sector plunged 24.9 percent for the second consecutive annual fall of more than 20 percent.

The financial industry as a whole posted a 1.4 percent decline in business.

Business of real estate sales and broking fell 16.0 percent due to slumping sales of new homes.

But the real estate industry as a whole recorded a 2.3 percent increase in business for the first rise of over 2 percent in three years, thanks to active rentals and leasing.

Miyazawa: No Tokyo Intervention in Wage Talks

OW0503125492 Tokyo KYODO in English 1152 GMT 5 Mar 92

[Text] Tokyo, March 5 KYODO—Prime Minister Kiichi Miyazawa said Thursday the government has no intention of intervening in wage talks between labor and management, government officials said.

Asked by Takeshi Nagano, president of the Japan Federation of Employers' Associations, for an explanation of his reported comments concerning this spring's wage hikes, Miyazawa denied having predicted that wage increases this year would be the same as last year, the officials said.

"I have a general understanding (about wage matters) as I held the position of director general of the Economic Planning Agency for five years," Miyazawa said.

"I made the comment on the basis of the government's economic forecast for the next fiscal year. I well understand that wage issues should be left to negotiations between labor and management," he said.

According to the minutes of the House of Representatives Budget Committee, Miyazawa had said, "considering the still lingering labor shortage and shortening working hours, I don't expect wage hikes this year to be much lower than those last year."

Nagano told a press conference he believes that Miyazawa will leave the issue of wage hikes to labor and management to negotiate.

Survey Shows Sharp Drop in Business Confidence

OW0603064592 Tokyo KYODO in English 0519 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—The latest quarterly survey of business confidence released by the Bank of Japan (BOJ) on Friday indicated that Japanese firms are becoming increasingly pessimistic about business conditions.

But despite the pessimism, a central bank official said the survey would not prompt the bank to alter its monetary policy.

The BOJ's closely watched "tankan" [short-term observation] survey represents the percentage of companies reporting business conditions as "favorable" minus those reporting them as "unfavorable."

The index for major manufacturers tumbled to minus 5 in the latest survey, conducted in February, from 13 in the previous survey, conducted in November.

It was the first time in four years and three months that the index has swung to the minus side.

The index for major nonmanufacturing companies slid to 17 from 31 in the earlier survey.

The index of manufactured goods inventories—the percentage of companies saying inventories are excessive minus the percentage answering that inventories are too small—rose to 31 in February from 29 in November.

Capital investment is forecast to fall 3.2 percent in fiscal 1992 compared with a November projection of a 7.7 percent rise.

Communications Satellite in Geostationary Orbit

OW0603103892 Tokyo KYODO in English 0945 GMT 6 Mar 92

[Text] Tokyo, March 6 KYODO—The Superbird B communications satellite, owned by Space Communications Corp. (SCC), went into geostationary orbit above the equator at 6 A.M. Friday Japan time, SCC said.

The communications functions of the satellite, in orbit 36,000 kilometers above the equator and at 162 degrees east longitude, will be tested for one month before communications service starts in early April, SCC officials said.

The satellite has been performing satisfactorily since it was launched February 27 from French Guiana in South America, the officials said.

SCC's Superbird A satellite broke down and went out of service in December 1990, forcing satellite television broadcasters using the satellite to switch to Japan Communications Satellite Co.'s satellite service.

The Superbird B has 25 transponders for commercial use and 21 of them will be available for use this year, SCC said.

NEC Develops 12.9-Inch Color LCD Prototype

OW0503065192 Tokyo KYODO in English 0549 GMT 5 Mar 92

[Text] Tokyo, March 5 KYODO—NEC Corp. said Thursday it has developed a prototype of a 12.9-inch active matrix thin-film transistor (TFT) color liquid crystal display (LCD).

The new LCD screen is ideal for use with engineering workstations, NEC officials said.

NEC currently manufactures a total of 10,000 10-inch color LCDS a month.

The company plans to market the display this summer, but will not begin mass production until sometime next year, depending upon demand from workstation manufacturers, they said.

Toshiba Corp. and Sharp Corp. have developed similar-size screens, but have yet to mass produce and sell them.

NEC has not yet decided on production rates and a price for their screens, the officials said.

The display comprises about 1.3 million picture elements, including 1,280 horizontal dots and 1,024 vertical dots, the officials said, adding that about 4 million red, green, and blue dots are capable of producing 4,096 colors on the screen.

TFT color displays are considered to be the most promising flat-panel displays among different LCD technologies today, but the manufacturing process is complex and production yields are relatively low, which results in high prices.

The 10-inch color displays cost about 200,000 yen each to produce, according to an NEC official.

North Korea

U.S. 'Attitude' on Nuclear Inspection Criticized

SK0503150692 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 5 Mar 92

[Text] A news conference was held on 4 March at our country's embassy to China on the nuclear issue. Present at the news conference were reporters from Chinese newspapers, news agencies, and broadcasting stations and reporters from various countries based in China.

Chu Chang-chun, our country's ambassador to China, spoke at the news conference. He first said that at the February International Atomic Energy Agency [IAEA] Board of Governors meeting, our country's delegation had explained the active measures and sincere efforts by the government of our Republic to sincerely fulfill the obligations under the Nuclear Nonproliferation Treaty [NPT] and expressed our principled position on the nuclear safeguards accord's ratification. He also said that an absolute majority of the participating countries had warmly welcomed our independent, overall plan on the ratification procedures of the nuclear safeguards accord. He referred to the fact that the 18 February 16th session of the Standing Committee of the Ninth Supreme People's Assembly [SPA] had discussed the safeguards accord, which we and the IAEA had signed, and decided to present it to the third session of the Ninth SPA for deliberation. He said that the position had already been made public that if the nuclear safeguards were ratified after deliberation, practical measures would be taken without delay to receive the IAEA's nuclear inspection.

Chu Chang-chun said that even those countries that had doubted our measures on the nuclear issue and made unjust interventionist remarks about us at previous IAEA Board of Governors meetings expressed their understanding and sympathy with our ratification procedures of the nuclear safeguards accord. He pointed out that this clearly shows that our position, which we have consistently adhered to in connection with the nuclear safeguards accord's implementation, was very just and that our active plans on the ratification procedures of the safeguards accord is recognized as an internationally accomplished fact. He revealed that even though the United States, Japan, and a very few other countries clearly know that our ratification of the nuclear safeguards accord will not take long in view of the current progress in procedures, they had been assuming a very provocative and interventionist attitude, talking about their suspicions of nuclear weapons development. He stressed that they must know that these provocative acts will not be beneficial to our implementation of the nuclear safeguards accord but harmful to it.

Referring to the fact that some people in the United States are groundlessly finding fault with us over our implementation of the nuclear safeguards accord and even babbling about a need to use military power against our country, Chu Chang-chun said that this makes us wonder if they intend to prevent us from receiving

nuclear inspection, which is ready to be carried out, by misleading world public opinion at all costs and thus harming us with premeditated malice. He said that we also wonder if they intend to put a brake on improving relations between the DPRK and the United States. He again made clear that if our nuclear safeguards accord is deliberated and ratified at the third session of the Ninth SPA, we will send a written notification to the IAEA on its effectuation as stipulated in the clauses of the nuclear safeguards accord and that we will receive nuclear inspection without delay according to practical procedures to be agreed upon with the agency.

Referring to the fact that the South Korean authorities are flagrantly violating the historic North-South agreements, which they signed before the entire nation, and unhesitatingly making remarks denouncing, slandering, and inciting us, Chu Chang-chun said that they must clearly know that their attitude as such will only build a grave obstacle to the implementation of the North-South agreement and the joint denuclearization declaration. Saying that we do not forgive or allow any act of unilaterally pressuring us, interfering with our internal affairs, or defaming our country's independence and national dignity contrary to the principle of fairness and equality in the international community, he firmly stated that the government of our Republic will also in the future sincerely fulfill its obligations under the NPT.

In conclusion, Chu Chang-chun strongly demanded that the United States, Japan, and some other countries immediately stop provocative commotions to pressure us and that the South Korean authorities give up their antinational position and assume a sincere attitude and position to implement the Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and South and the Joint Declaration on the Denuclearization of the Korean Peninsula.

Implementing Denuclearization Declaration Urged

SK0603144092 Pyongyang Korean Central Broadcasting Network in Korean 1150 GMT 5 Mar 92

[Commentary by station commentator Chong Pong-kil: "Are They Intending To Avoid Denuclearizing the Korean Peninsula?"]

[Text] As was reported, the fourth round of delegates' contact between both sides held on 4 March at Tongil House of our area in Panmunjom to discuss the formation and operation of the North-South Joint Nuclear Control Committee ended without success. In this connection, we cannot but take issue with the South side's insistences.

At the contact that day, in the discussion of paragraphs 2b and 2h of the draft agreement, the South side obstinately opposed our side's proposal that foreign nuclear weapons and nuclear bases be specifically referred to in the draft agreement and that clauses on measures for jointly checking external nuclear threats and receiving a pertinent international guarantee for the denuclearization of the Korean peninsula be specified. South Korea's wrong insistences cannot be interpreted otherwise than to reveal its real intention of attempting not to denuclearize the Korean peninsula but to continuously receive the protection of a foreign country.

As everyone well knows, the Korean peninsula nuclear issue was raised partly because the U.S. imperialists introduced nuclear weapons into South Korea, made it an advance nuclear base—the largest in the Far East—and, since then, have run amok with manuevers for a nuclear war for northward invasion. It was also raised because the South Korean rulers have been viciously scheming to permanently nail down U.S. nuclear weapons to South Korea while begging for the protection of the U.S. nuclear umbrella.

Moreover, we do not know whether or not there are still U.S. nuclear weapons and nuclear bases in South Korea and whether or not all of them have been withdrawn and abolished. Because of a refusal to specify this issue in the draft agreement on the formation and operation of the North-South Joint Nuclear Control Committee, we cannot construe it as other than an attempt to turn away the basic problem itself in realizing the denuclearization of the Korean peninsula. Nevertheless, in the contact, the South side insisted on including in the draft agreement a mere clause regarding exchange of intelligence on the presence of nuclear weapons, and it insisted on deleting the clause regarding nuclear bases from the draft agreement.

It is useless to merely exchange intelligence while leaving the U.S. nuclear bases in South Korea as they are. To really denuclearize the Korean peninsula, it is imperative to withdraw U.S. nuclear weapons and to abolish nuclear bases. This is primary common sense and, therefore, the South side's insistence is indeed preposterous.

In the discussion of paragraph 2h, the South side also obstinately refused to include in the draft agreement a clause on the measure for receiving an international guarantee for the denuclearization of the Korean peninsula. This means that the South side intends not to eliminate the external nuclear threat against the Korean peninsula.

No matter how thoroughly a denuclearization policy may be enforced, if the external nuclear threat is strengthened, denuclearization cannot be implemented. This is clear to everyone.

In reality, the U.S. imperialists are clamoring about the protection of South Korea with their nuclear umbrella and is seeing to it that Japan, a neighboring country of the Korean peninsula, steps up its nuclear armament. According to reports, in a bid to possess more materials needed in nuclear weapon production, Japan, which has accelerated the development of nuclear weapon by all means, is attempting to purchase anew from foreign countries more than 100 tons of plutonium, with which

it can manufacture a large amount of nuclear weapons, an amount almost equivalent to what the nuclear superpowers possess today. In addition to its existing enriching and reprocessing facilities presently under operation, Japan is also accelerating the construction of a large-scale reprocessing plant capable of manufacturing as many as 100 nuclear weapons annually in addition to the present enriching and reprocessing facilities.

Such being the situation, it is only too natural and just from the standpoint of the independence of the North and the South as the same nation to jointly cope with the external nuclear threat. At the same time, to deepen the denuclearizatin of the Korean peninsula, it is also imperative to obtain an international guarantee for this from nuclear weapon-possessing countries.

While disregarding the external nuclear threat that actually exists on the Korean peninsula today, talking about denuclearization cannot be regarded as a sincere attitude to remove the nuclear threat lingering before the nation.

The result of the fourth round of delegates' contact of both sides proves that the South Korean authorities are not sincere about the contacts themselves and that they are creating artificial obstacles to fulfilling the joint declaration of the denuclearization of the Korean peninsula.

The South Korean authorities should realize that if they continue to create obstacles to fulfilling the joint declaration, they will not be able to escape the stern justice of the entire nation, which is seething with the ardent desire for the country's peace and reunification. If the South Korean authorities want the denuclearization of the Korean peninsula, they should accept our fair and aboveboard proposals and embark on the road of implementing the Joint Declaration of the Denuclearization of the Korean Peninsula.

Members of North-South Subcommittees Listed

SK0603110292 Pyongyang KCNA in English 1031 GMT 6 Mar 92

[Text] Pyongyang March 6 (KCNA)—Yon Hyong-muk, premier of the Administration Council of the Democratic People's Republic of Korea, sent through telephone to South Korean "Prime Minister" Chong Won-sik today the lists of the names of the chairmen and members of the North-South Political Subcommittee, the North-South Military Subcommittee and the North-South Cooperation and Exchange Subcommittee according to an agreement between the two sides at the sixth North-South high-level talks.

The lists are as follows:

North-South Political Subcommittee

Chairman

Paek Nam-chun	delegate to the North-South high-level talks

Members

Kim Wan-su	roving ambassador of the Foreign Ministry
Cho Sang-ho	vice-director of the Secretariat of the Central Committee of the Democratic Front for the Reunification of the Fatherland
Choe Song-ik	director of a department of the Secretariat of the Committee for the Peaceful Reunification of the Fatherland (CPRF)
Chong Yong-chun	councillor of the Secretariat of the CPRF
Sim Tae-chin	senior consultant of the Secretariat of the Administration Council
Cho Song-tae	chief of a department of the Radio and TV Broadcasting Committee of the DPRK

North-South Military Subcommittee

Chairman

Kim Yong-chol	delegate to the North-South high-level talks

Members

Pak Ung-su	major general of the Korean People's Army [KPA]
Pak Song-chin	senior colonel of the KPA
Yi Kil-chong	senior colonel of the KPA
Kim Min-hyon	senior colonel of the KPA
Pak Yim-su	senior colonel of the KPA
Won Tong-yon	director of a department of the Secretariat of the CPRF

North-South Cooperation and Exchange Subcommittee

Chairman

Kim Chong-u	delegate to the North-South high-level talks

Members

Kim Chae-song	director of a department of the Secretariat of the Administration Council
Son Chong-chol	vice-director of the Trade and Economic Institute
Kim I-sun	director of a department of the Ministry of Culture and Art
Yu Chang-sok	vice-director of a department of the State Planning Commission
Chong Tok-ki	director of a department of the Secretariat of the CPRF
Kim Song-kuk	deputy editor-in-chief of NODONG CHONGNYON [WORKING YOUTH].

No Tae-u Remarks on Summit Called 'Perfidy'

SK0603063392 Pyongyang KCNA in English
0452 GMT 6 Mar 92

[" Unpardonable Perfidy to North-South Agreement"—KCNA headline]

[Text] Pyongyang March 6 (KCNA)—The South Korean chief executive, in a "special television interview" on March 3, broke out in coarse invectives against the North.

Commenting on this, NODONG SINMUN today brands this as an unpardonable perfidy to the North-South agreement.

Recalling that he in the "interview" spun out a trash over the questions of "nuclear development" by the North and "summit talks", the news analyst says:

That day the South Korean chief executive distorted the fact to create the impression that we are delaying international nuclear inspection on purpose and let out an ugly torrent of bellicose words, contending that "agreement can be implemented" only when this question is solved, otherwise North-South relations will "face a grave phase," and an "international duty" should be fulfilled before the United States takes "military sanctions" so that a "misfortune" may be avoided.

Thus, the South Korean chief executive himself openly declared that the agreement cannot be implemented under the pretext of the "nuclear problem" of the North and even talked about "military sanctions" against the North. This is a very grave thing that can neither be tolerated nor overlooked.

As we repeatedly clarified, we have no nuclear weapons and we have neither intention nor capacity to make them and there is no need to do so. We don't want nuclear confrontation with our neighbouring big countries. It is inconceivable for us who want peace in the country and its peaceful reunification to develop nuclear weapons which might destroy our fellow countrymen.

As far as our obligation under the international treaty is concerned, we already signed the nuclear safeguards accord with the International Atomic Energy Agency and made it clear that we will accept nuclear inspection in a short time after going through deliberation at the Supreme People's Assembly. This stand of ours was welcomed by many countries at the February meeting of the Board of Governors of the IAEA.

It is an open challenge to the agreed documents and perfidy to us for the South Korean authorities to raise for no reason a clamour over the nuclear inspection from the initial stage of the effectuation of the North-South agreement and joint declaration.

As for the nuclear problem, it is the South side which is still open to doubt. Though the South Korean chief executive made public a "declaration on nuclear absence", the owner of the nuclear weapons who brought them into South Korea and has the right to use them wear an air of innocence, remaining silent. We do not know whether the U.S. nuclear weapons have been withdrawn from South Korea and its nuclear bases dismantled, or not. This situation does not dispel the serious apprehensions of us who have been exposed to nuclear threat for over 30 years.

As clearly revealed in the contacts between delegates of the two sides to discuss the question of forming and operating the North- South Nuclear Control Joint Committee, the South Korean authorities greatly abhor the adoption of an agreement on the implementation of the joint denuclearisation declaration itself and, insisting on "trial inspection" of one or two objects, oppose the inspection of the nuclear weapons and nuclear bases of the U.S. forces in South Korea and persistently oppose the adoption of measures for jointly checking the nuclear threat to the Korean peninsula from outside and getting an international guarantee for the denuclearisation of the Korean peninsula and are laying artificial obstacles in the way of the formation of the Nuclear Control Joint Committee this way or that way.

All this makes it as clear as noonday that the South Korean authorities have no intention to denuclearise the Korean peninsula and are opposed to the verification and inspection themselves as regards denuclearisation.

It is needless to say that the U.S. pressure and manipulation are behind the ill-boding words and deeds of the South Korean rulers. The U.S. ruling quarters, while pretending to welcome the effectuation of the documents of North-South agreement, refuse to wash their hands of the Korean question and still now intend to pursue their anachronistic policy of strength of the era of cold war, crying over "suspicion about nuclear development" by the North and "need of the use of arms". The South Korean chief executive's talk about "U.S. military sanctions" against the North is a repetition of the provocative and interfering words of the U.S. ruling quarters.

The South Korean authorities, dancing to the tune of outside forces, are crying for "military sanctions" over the question of nuclear inspection of us, the fellow countrymen, while ignoring the U.S. policy of strength and Japan's scheme for nuclear armament which pose potential threat to the entire Korean nation. We can easily see from this that they have no independence and national spirit and have not yet abandoned their intention and stance to threaten us with nuclear weapons and destroy the fellow countrymen in league with other countries.

As regards "summit talks" that day the South Korean chief executive slandered us and made a foolish attempt to shift the blame at the other's door, saying that there was no change in his wish to have the talks, but he "is not free to definitely sate its time" because the north has "internal problems."

Despite our efforts, North-South top-level talks has not been held. This is wholly attributable to the wrong stand and stance of the South Korean authorities toward dialogue and reunification.

If the South Korean authorities want to raise the question of "summit talks," they should at least have the will for reunification, that is, the stand and stance to create a climate for talks and open up a decisive phase for reunification by accepting confederacy, the best way of reunifying our divided country. This is our principled stand. This time, the South Korean chief executive failed to produce a clear-cut proposal, and behaved improperly shifting the responsibility on to the other because he had no intention to create an atmosphere of "summit talks" nor confidence to discuss the way of reunifying the country nor the will to open a phase of reunification. It is hypocrisy to talk about "summit talks" without any will for reunification and confidence to discuss the way of reunification. He seems to be trying to gain popularity in the last days of his term of office. But he cannot improve his image or deliver himself out of the miserable lot in which he is forsaken by the people with an empty talk.

The South Korean rulers must discard the obsolete concept of confrontation and splittist stand and take the road of sincerely implementing the documents of North-South agreement in conformity with the desire of the nation and the requirement of the times.

The North-South agreement and the joint declaration adopted under the eyes of the whole nation must be unconditionally and strictly implemented without any preconditions. What is most urgent and crucial in this is to make the U.S. troops withdraw from South Korea, abolish the "National Security Law" and other anti-reunification fascist laws, and immediately release the visitors to the North and pro-reunification and patriotic figures.

It is a grave mistake if the South Korean rulers think that they can be safe after trampling down the historical agreed documents the implementation of which they solemnly pledged to the entire nation.

We can never tolerate the perfidious act of the South Korean authorities in whipping up hostility and confrontation within the nation from the beginning of the effectuation of the documents of the North-South agreement and solemnly warn them that they will be held wholly responsible for all the consequences arising therefrom.

South Urged To End 'Security-Oriented Rule'

SK0603104192 Pyongyang KCNA in English
1015 GMT 6 Mar 92

["Vicious 'Security-Oriented Rule' in South Korea"—KCNA headline]

[Text] Pyongyang March 6 (KCNA)—The viciousness of the "security-oriented rule" in South Korea lies in in discriminately suppressing all the people and organizations fighting for patriotism and justice, for the right to existence and democracy, regarding them as the target of its crackdown, says NODONG SINMUN in a by-lined article today.

Noting that the "Sixth Repulic regime" makes the figures, students and people who turned out in the reunification movement as the first target of suppression, the paper says:

The South Korean rulers arrested the reunification envoys including Rev. Mun Ik-hwan, woman student Yim Su-kyong and Father Mun Kyu-hyon who had visited the North for national reunification by invoking the notorious "National Security Law" and are persecuting them still now. And it forced young students Pak Song-hui and Song Yong-sung to live a lonely life in an alien land tens of thousands of miles away from their parents and brothers and sisters by blocking their return home with the bayonet.

Still more grave under the "security-oriented rule" of the South Korean authorities is that it serves as a means of inciting distrust and confrontation between the North and the South. The South Korean authorities are suppressing the movement of students and people for independence, democracy and reunification by liking it with the North. [sentence as received]

All the policies pursued by the "Sixth Republic regime" are intended to convert the society into a more reactionary and fascist one.

The South Korean authorities bound the progressive people of all strata hand and foot with the invisible net of the intelligence and investigation organs. The "Security Planning Board" and the "Secret Affairs Command" watch, shadow and control every movement of the progressive figures.

The "security-oriented rule" which regards all the people who want to take the road of patriotism and justice as enemies is an anti-national, anti-popular rule unparalleled in the world.

An end must be put to the "security-oriented rule" which evokes resentment and grievances from the South Korean people and adds to the sufferings and pains of our fellow countrymen.

Daily Denounces Japan on 'Comfort Girl' Issue

SK0503052892 Pyongyang KCNA in English
0443 GMT 5 Mar 92

["World Follows Japan's Attitude"—KCNA headline]

[Text] Pyongyang March 5 (KCNA)—The world is following response of Japan's conscience to the problem of the "comfort girls for the Japanese Army" and urging a full compensation for it.

During the Pacific war the Japanese imperialists took away by force 200,000 Korean women to different fronts of Asia and the Pacific as "comfort girls for the army" and imposed all manner of maltreatment and sufferings upon them, NODON SINMUN says in a by-lined article today.

Inhumane atrocities of the Japanese imperialist aggression army which wantonly trampled upon the dignity of people and human rights are the most shammless and hideous crimes of the war crimes, the article notes, and stresses:

If the Japanese Government authorities do not disregard conscience and morality, they must apologize for and repent of the shocking crimes and compensate materially. The Japanese Government, however, is trying to evade its historical responsibility.

This only reveals the conscienceless stand and political and moral inferiority of the Japanese government authorities.

The apology and compensation to the "comfort girls for the army" is aimed at liquidating the mistaken past.

Therefore, the Japanese Government's attitude and stand toward the problem is a touchstone of Japan's conscience in the eyes of the world.

If the Japanese Government, instead of totally liquidating the mistakes in history, tries to justify them, it is interpreted as its intention to repeat the history of aggression when the time is mature. If it fails to properly settle the unheard-of crimes in human history Japan committed with the power of the state, where would Japan get the face to stand before the international community? If Japan wants to play an important role as an "economic power" in the international arena, it must, first of all, have qualities and traits of valuing the human dignity, conscience and morality.

New Japan-DPRK Friendship Group Holds Meeting

SK0603045692 Pyongyang KCNA in English 0432 GMT 6 Mar 92

[Text] Pyongyang March 6 (KCNA)—The inaugural meeting of the Osaka Prefectural assemblymen's league for the promotion of Japan-DPRK friendship was held in Chuo-ku, Osaka Prefecture, on Feb. 25.

The league is made up of 102 assemblymen of the prefecture from the Liberal Democratic Party, the "Social-Democratic Party, the Democratic Socialist Party and the prefectural citizens alliance", the Komei Party and the Independent Assemblymen's Society.

Present on invitation at the meeting were president of the Osaka Prefectural Assembly Hoei Kato, Governor of Osaka Prefecture Kazuo Nakagawa, and Chairman of the Osaka Prefectural Headquarters of the General Association of Korean Residents in Japan (Chongnyon) O Hyong-chin who is also vice-chairman of the Central Standing Committee of Chongnyon.

On behalf of the organisers, Fusayo Misaga, assemblyman from the "Social-Democratic Party, the Democratic Socialist Party and the prefectural citizens alliance", explained the purport of the formation of the league before the statutes of the league were adopted at the meeting.

Kaoru Asakura, prefectural assemblyman from the Liberal Democratic Party, was elected chairman of the league.

South Korea

South, North Sides Meet 6 Mar; Unable To Agree

SK0603041692 Seoul KBS-1 Radio Network in Korean 0300 GMT 6 Mar 92

[Text] The South and North are discussing the formation and operation of a nuclear control commission at the fifth contact between the delegations of the two sides. The contact began at 1000 this morning at the House of Peace on our side's area of Panmunjom,

Our side is reported to have proposed that a Joint Nuclear Control Commission be formed before 18 March according to the South- North agreement and that nuclear inspections be conducted by working out rules governing the inspections within a month after that.

An official in the Ministry of National Unification Board said that only when the North stops insisting on using expressions like at an early date, rather than stipulating the definite date of inspections will today's contact be successful.

Despite the four rounds of South-North delegates' contacts held so far for discussing the formation and operation of a nuclear control commission, the South and North are having difficulty in reaching an agreement as they face each other, with the South calling for setting the deadline for adopting the rules governing nuclear inspection and with the North insisting on adopting a separate agreement aimed at effecting the joint declaration on the denuclearization rather than setting the deadline for the inspection.

More on Contact

SK0603093992 Seoul YONHAP in English 0925 GMT 6 Mar 92

[Text] Seoul, March 6 (OANA-YONHAP)—The fifth inter-Korean nuclear negotiations failed again Friday to narrow differences on holding pilot and regular nuclear inspections.

North Korea did, however, drop one of its former demands that the Joint Nuclear Control Commission

(JNCC) must include among its functions getting international guarantee for nuclear-free Korean peninsula, they said.

The negotiators will meet again on March 10 at the truce village of Panmunjom.

Friday's talks lasted for seven hours from 10 A.M. South Korea continued with its demands that the two sides set regulations on regular mutual nuclear inspection within a month of inaugurating the JNCC and hold the first regular inspection 10 days later at the latest.

South and North Korea already agreed to inaugurate the JNCC by March 18, which would make the first regular nuclear inspection possible by late April according to the South Korean proposal.

It also demanded that Seoul and Pyongyang conduct pilot inspections within one month after adopting an agreement on formation and operation of the JNCC.

North Korea refused to set a date on by when the two sides must set inspection regulations, demanding that it be broadly put as "in the near future" instead of "within one month."

It repeated opposition to pilot inspections, officials said.

South and North Korea agreed earlier to inaugurate the JNCC by March 18. Seoul officials are trying to set down deadlines on pilot and mutual inspections amid spreading concerns that Pyongyang may acquire enough plutonium-production capacity within months to make atomic bombs.

Inter-Korean Subcommittee Members Appointed

SK0603093192 Seoul YONHAP in English 0908 GMT 6 Mar 92

[Excerpts] Seoul, March 6 (YONHAP)—South Korea appointed Brig. Gen. Pak Yong-ok, director of the Defense Ministry's Arms Control Office, the Southern-side chairman of the inter-Korean Military Subcommittee Friday, and dropped Vice Economic Planning Minister Han Kap-su from its delegation to the inter-Korean high-level talks.

The appointment followed North Korea's rejection of a South Korean proposal that Gen. Song Ung-sop, vice chairman of the South Korean Joint Chiefs of Staff, and Gen. Kim Kwang-chin, vice minister of the North Korean Ministry of People's Armed Forces, be installed as co-chairmen of the subcommittee.

A South Korean official said the government had to lower the rank of the Southern-side chairman as the North appointed Maj. Gen. Kim Yong-chol, whose rank is equivalent to a brigadier general in the South, as the Northern-side chairman.

The exclusion of Vice Economic Planning Minister Han from the rolls reflected the South Korean Government's displeasure at the North's attitude concerning the Military Subcommittee formation, he said.

"The exclusion is not only an expression of discontent with the North, which apparently has great expectations for economic exchanges, but also is a warning. As long as the issue of North Korea's nuclear armament is not settled, progress will not come in the economic sector," he said.

North Korean Premier Yon Hyong-muk, in a telephone message, sent a list of the Northern-side chairmen and other members of the three inter-Korean subcommittees—military affairs, political affairs, and exchanges and cooperation.

South Korean Prime Minister Chong Won-sik notified the North of the line-up later in the day.

Following are lists of the members of the three inter-Korean subcommittees:

Political Subcommittee (South)

Chairman	
Yi Tong-pok	special assistant to the prime minister
Members	
Min Pyong-sok	presidential secretary for diplomacy and security
Kim Tal-sul	advisor, National Unification Board
Choe Kyu-hak	councilor, prime minister's office
Kang Kun-tak	councilor, Foreign Ministry
Sin Kwang-ok	councilor, Justice Ministry
Sin Chung	Army major general
[passage omitted]	

Military Subcommittee (South)

Chairman	
Pak Yong-ok	director, Arms Control Office, Defense Ministry Members
Kim Hui-sang	presidential secretary for national security
Yim Tae-sun	advisor, National Unification Board
Yi Yong-ho	Army colonel
Kim Yong-chin	Navy captain
Cho Sang-hun	councilor, Foreign Ministry
Chae Chun-sok	analyst, Defense Ministry
[passage omitted]	

Exchange and Cooperation Subcommittee (South)

Chairman	
Yim Tong-won	vice minister, National Unification Board

Members	
Kim In-ho	assistant economic planning minister for external policy coordination
Song Yong-tae	advisor, National Unification Board
Pak Un-so	presidential secretary for economic affairs
Yu Tok-hwan	assistant trade-industry minister
Sin Hyon-ung	director general, Cultural Policy Bureau, Culture Ministry
Pak Su-chang	councilor, prime minister's office

[passage omitted]

Kim Chong-il Allegedly 'Assassinated' Minister

SK0603054992 Seoul CHOSON ILBO in Korean 6 Mar 92 p 2

[YONHAP from Tokyo]

[Text] The sudden death from cancer of Chon In-chol, 68, North Korea's vice foreign minister and senior member of the North Korean delegation to talks with Japan over the establishment of diplomatic relations, has spawned a host of wild speculations. A few Japanese newspapers have received a document alleging that Vice Minister Chon was assassinated because of his opposition to Secretary Kim Chong-il's succession to power. No verification is available, however.

The document, 30 cm long and 25 cm wide, was faxed to some of the Japanese newspapers. It contains a brief message under the heading "North Korean Vice Foreign Minister Chon In-chol Has Been Assassinated," "A Fax Came From a Newspaper Published by the Koreans in Yanbian," and "His Opposition to Kim Chong-il's Succession to Power Has Cost His Life." The message reads: "A piece of urgent news saying that Chon's counsel to Kim Chong-il to the effect that 'his succession to power in an age when the Soviet Union has disappeared would not be tolerated by the countries in the free world' has led to his assassination by Kim Chong-il. This message was faxed from a newspaper published by the Koreans in Yanbian."

Vice Minister Chon had promised to hold a news conference with Japanese reporters in Beijing on 2 March after the conclusion of the sixth round of Japan-North Korea talks on the establishment of diplomatic relations. When he showed up an hour late, reporters asked him the reason, and he was quoted as saying: "I received medical treatment from a Chinese doctor. That was why."

According to the Japanese press, he was rumored to have visited hospitals during the third and fourth rounds of talks.

North Korea's Korean Central News Agency reported on 2 March that Vice Minister Chon had died of cancer.

North 'Difficulties' Paying for CIS Arms Noted

SK0603101992 Seoul MAEIL KYONGJE SINMUN in Korean 6 Mar 92 p 2

[Text] It has been learned that North Korea is having difficulties paying the expenses for military materials purchased from the Commonwealth of Independent States [CIS].

According to a government source on 6 March, Samsonov, CIS Army chief of staff who visited North Korea early this month, said that the offering of logistical materials to North Korea was made without compensation or in exchange for raw materials until 1990. However, at present, these materials are supplied within the framework of a changing CIS military industry and on a commercial basis, thus suggesting hard currency payments. He said that North Korea is experiencing difficulties in payments.

Concerning his remarks, the government source, referring to a report that the CIS withheld hard currency payments until the end of last year, said that from the beginning of this year, payment in dollars has been in full effect.

Concerning the visit to North Korea by Chief of Staff Samsonov, the government source stressed that unlike in some reports, the CIS and North Korea did not sign a treaty for military and technological cooperation but only reached an agreement on "annual plan for exchange of manpower" including exchange of military personnel and mutual cooperation on military-related holidays.

Trade Deficit in North Reaches $1 Billion in 1990

SK0503030592 Seoul YONHAP in English 0125 GMT 5 Mar 92

[Text] Seoul, March 5 (YONHAP)—North Korea's external trade increased 12.2 percent a year from 1984 to 1990, piling up a deficit of over 1 billion U.S. dollars in the final year as imports outpaced exports, according to data released by the Japan External Trade Organization (JETRO).

North Korea's trade was 4.78 billion dollars in 1990, nearly double 1984's 2.4 billion dollars.

During the seven-year period, exports increased 67 percent from 1.11 billion dollars to 1.86 billion dollars and imports swelled 126 percent from 1.29 billion dollars to 2.92 billion dollars.

As a result, the trade deficit snowballed 5.9 times from 179 million dollars in 1984 to 1.06 billion dollars in 1990.

The JETRO report, titled "Prospects of North Korean Economy and Trade," said that in the five years ending 1988, when the communist bloc began to collapse, North Korea's trade expanded at an annual rate of 20.2 percent. In 1989 and 1990, however, trade declined 8.6 percent and 4.1 percent, respectively.

The largest trading partner was the Soviet Union, which with China and Japan accounted for three-fourths of North Korea's total trade.

North Korea's external debt is estimated at 6 billion dollars. This includes some 80 billion yen (610 million dollars) it owes to Japan.

North Korea claims the debt is small compared with those of Latin American and East European countries, but the problem is that it is unable to settle even this "small amount" and it could be 25 years before claims are settled by North Korea, JETRO said.

Answering Japan's call for settlement of debt some 15 years overdue, North Korea suggested that if Japan gave it another 10 year grace period it would settle the debt 15 years thereafter, the report said.

PRC To Use Formal Name, Flag at Seoul Fair

SK0603021492 Seoul YONHAP in English 0202 GMT 6 Mar 92

[Text] Seoul, March 6 (OANA-YONHAP)—China, for the first time at a commodity fair in Seoul, will be allowed to use its official name and fly its national flag at a trade show in May, an official at the Trade and Industry Ministry said Friday.

The Seoul branch of the China Chamber of International Commerce (CCIC) recently asked the Korean Government to allow China to use its official name, the People's Republic of China, in the title of the fair and to raise its flag, he said.

Some 400 officials from 140 Chinese firms, including state-run export and import corporations, will participate in "the trade exhibition of People's Republic of China" at the Korea Exhibition Center (KOEX) May 26-June 1, a CCIC spokesman said.

In a trade show held by CCIC at KOEX in May last year, 260 officials from 84 Chinese companies attended.

The Trade and Industry Ministry and the Foreign Ministry are sure to accept the CCIC proposal because China told Korea in January it may use its official country name, the Republic of Korea, and its flag during a Korean commodity fair to open in Beijing on May 15 for five days, the official said.

South Korea and China are yet to establish diplomtic ties.

Japan's Protest of Fishery Agreement Viewed

SK0603002692 Seoul THE KOREA HERALD in English 6 Mar 92 p 6

[Editorial: "Japan's Dubious Protest"]

[Text] Japan's repeated protest about Seoul and Moscow's fishery agreement, allowing South Korean boats to operate in waters off four islands in the southern Kurils as a hindrance to its efforts to regain the ownership of the disputed islands, are far-fetched and preposterous. Neither technically nor actually is the conclusion intended or capable of hampering Tokyo's position in negotiations over the ownership dispute.

South Korea concluded the agreement in January, just as Japan signed a similar accord with the former Soviet Union years ago for Japanese fishing boats operating in the same waters. Legally, there was nothing wrong on the part of South Korea and Russia in entering such an agreement that allows each nation's fishing boats to operate within 200 nautical miles of their respective territories.

All in all, South Korea's conclusion of the fishery pact with Russia and Japan's quest to retake the islands that the old Soviet Union seized from Japan in the final days of World War II are entirely separate and irrelevant. Japan, preoccupied with claims on its one-time territory, may be sensitive to things happening around the islands. But its protest has no justifiable grounds.

We wonder why Tokyo has filed such a protest. Some see Japan's complaint as contrived to counterbalance the recent South Korean barrage of condemnation of the past Japanese wrongdoings such as the drafting of Korean women for sex services to Japanese soldiers. The protest, in other skeptical eyes, is seen as aimed at Japanese domestic consumption to show that the Tokyo government is really vigorous in its bid to regain the northern islands.

Whatever the actual motivations behind it, an absurd and dubious protest could be counterproductive. It would be nonsensical for Tokyo to bash a bona fide third party to get its aims.

Foreign Minister Urges More 'Economic Diplomacy'

SK0603002092 Seoul THE KOREA HERALD in English 6 Mar 92 p 2

[Text] A meeting of Korea's overseas diplomatic missions was opened in Seoul yesterday with Foreign Minister Yi Sang-ok's call for stepped-up "economic diplomacy."

Speaking at the opening ceremony, Yi told the 97 ambassadors and consuls general to place top priority on promoting trade and economic ties with foreign countries.

"The efforts to revitalize our economy are needed more now than in many other times as our economy faces many difficult problems including reduced international competitiveness of our goods and a trade deficit," he said.

Last year South Korea suffered a nearly $10 billion trade deficit mainly because of the sluggish exports which were caused by the sharply reduced international competitiveness of domestically made products.

Yi asked the participants to double their efforts to cement relations with Seoul's traditional allies like the United States and substantialize ties with former socialist countries.

"Firm relations with the United States is the most important element of our diplomacy when the political situation on the Korean Peninsula and in Northeast Asia is undergoing changes affected by the world," he said.

South Korea and the United States have been making joint efforts to head off North Korea's nuclear weapons development.

The Communist North, on the other hand, has been trying to hold direct negotiations with Washington in order to have the American forces posted here withdraw and to sign a peace treaty with the United States in place of the 1953 cease-fire accord.

Minister Yi also called for Seoul's "active participation" in activities of the United Nations and other international organizations. South and North Korea joined the world body separately last year.

Prime Minister Chong Won-sik stressed that inter-Korean matters should be settled by South and North Korea themselves for the common interest of the whole Korean people.

Speaking to the diplomats, he charged that the North's nuclear weapons capability remains a big roadblock to genuine inter-Korean reconciliation.

On Dec. 13 last year, the two Koreas signed a historic agreement on reconciliation, nonaggression and exchanges. But Seoul officials have repeatedly warned that the accord would be implemented when the Communist state stops its nuclear efforts.

"But I do not expect North Korea to betray the Korean people's desire for unification and go against the prevailing international trend of reconciliation," the premier said.

Following the opening ceremony, the diplomats were briefed on the government's foreign policy goals this year and international issues.

They discussed, in the afternoon session, diplomatic strategies to create an international political milieu favorable to Korean unification, a Foreign Ministry spokesman said.

The participants will have a session on economic issues today.

Burma

SLORC Government Changes Reported

New Forestry Affairs Minister Named

BK0503144392 Rangoon Radio Burma in Burmese 1330 GMT 5 Mar 92

[Declaration No. 4/92 of the State Law and Order Restoration Council of the Union of Burma, dated 5 March 1992]

[Text] Transfer of responsibilities of cabinet minister

The State Law and Order Restoration Council [SLORC] has transferred and appointed Lieutenant General Chit Swe, minister for agriculture and forests, as minister for forestry affairs.

By the authority vested in me

Signed: Major General Khin Nyunt, secretary-1 of SLORC

Two Commanders Named Ministers

BK0603074992 Rangoon Radio Burma in Burmese 1330 GMT 5 Mar 92

[Declaration No. 5/92 of the State Law and Order Restoration Council of the Union of Burma, dated 5 March 1992]

[Text] Appointment of new cabinet ministers

The State Law and Order Restoration Council [SLORC], in order to effectively perform the economic, construction, and development matters of the state, has appointed the following persons as ministers of the respective ministries mentioned below:

1. Major General Mya Thinn [chairman of Arakan State Law and Order Restoration Council and commander of Western Military Command] as minister for cooperatives;

2. Maj. Gen. Myint Aung [chairman of Irrawaddy Division Law and Order Restoration Council and commander of Southwest Military Command] as minister for agriculture.

By the authorithy vested in me

Signed: Maj. Gen. Khin Nyunt, secretary-1 of SLORC

Ministry Reorganized

BK0503141192 Rangoon Radio Burma in Burmese 1330 GMT 5 Mar 92

[Notification No. 17/92 of the State Law and Order Restoration Council of the Union of Burma, dated 5 March 1992]

[Text] Reorganization of ministries

The State Law and Order Restoration Council [SLORC], to effectively perform the economic, construction, and development matters of the state, has reorganized the ministry of agriculture and forests as follows:

1. Ministry of forestry affairs

2. Ministry of agriculture

Signed: Major General Khin Nyunt, secretary-1 of SLORC

New Adjutant General Appointed

BK0503144992 Rangoon Radio Burma in Burmese 1330 GMT 5 Mar 92

[Notification No. 18/92 of the State Law and Order Restoration Council of the Union of Burma, dated 5 March 1992]

[Text] Appointment of head of public service organization

The State Law and Order Restoration Council [SLORC], has appointed Major General Myint Aung, BC 6,917, commander of the Southwest Military Command, as Adjutant General of the Defense Ministry the day he assumes charge of his duties.

Signed: Maj. Gen. Khin Nyunt, secretary-1 of SLORC

Karen Group Calls Khun Sa Link 'Totally Absurd'

BK0603012592 Bangkok THE NATION in English 6 Mar 92 p A4

[Text] The anti-Rangoon Karen National Union (KNU) yesterday rejected as "totally absurd" and "a groundless allegation" a report that its leader Gen Bo Mya had met drugs kingpin Khun Sa and agreed to cooperate in fighting the Burmese military junta.

In turn, senior members accused Khun Sa of collaborating with the State Law and Order Restoration Council (Slorc), the official name of the country's ruling junta, to fabricate the report in order to tarnish KNU's image.

The KNU, they said, was fighting in its own way to achieve democracy and had nothing to do with Khun Sa's Mong Tai Army (MTA). Bo Mya himself would soon issue a statement to counter the allegation.

Saw Than Aung, the Karen vice president, said in an interview yesterday that the report by a French news agency was serious "allegation" against the Karen. "It's totally false and groundless, and I don't know where they got the information from. I think it must have come from Burmese intelligence," said Than Aung.

The report, which appeared on Wednesday in local English-language newspapers, cited Western intelligence sources as saying that Khun Sa, who heads his personal Mong Tai Army, had "agreed to help Karen insurgents

and pro-democracy rebels fighting the Rangoon government". The pact was reached during "a secret meeting between Khun Sa and Karen leader Bo Mya late last year at Khun Sa's headquarters" at Homong.

Late last year in Manerplaw, Bo Mya had chaired meetings of the KNU Congress and Standing Committee which began on Sept 11 and lasted four months, according to Than Aung. He stayed there until the Burmese Army began its dry season military offensive against Manerplaw in early January and has not left headquarters since.

"He has been in Manerplaw all the time since September, and has been there up till now to direct our fighting forces (against the Burmese troops)," said Than Aung.

He added that the report that Bo Mya also asked Khun Sa for "small arms, soldiers and to start a terror campaign" against the Slorc in return for KNU's "heavy weapons experts and political credibility" for the opium warlord's movement, "is also totally absurd. No contact have ever been made between him (Bo Mya) and Khun Sa one way or another, even by mail."

He said Khun Sa's chief liaison officer, Lt Col Khoensai Chaiyan, was told to leave Manerplaw when he showed up there in June 1990 as the Democratic Alliance of Burma, an umbrella body of 20 pro-democracy ethnic and students groups, was holding meeting. "We (ethnic groups) were having our meetings and he (Khoensai) was not invited at all. There was nothing between this man and the KNU. No deals at all," he added.

Karen Camp Opposite Mae Sot Under Barrage

BK0603011792 Bangkok BANGKOK POST in English 6 Mar 92 p 2

[Excerpt] Mae Sot, Tak—The Karen National Union's [KNU] Kawmura Camp opposite Mae Sot was hit by about 1,200 rounds of heavy weapons fire from Rangoon troops for more than 24 hours until early yesterday.

About 30 artillery or mortar rounds landed on the Thai side of the border near a rangers' camp at Ban Wang Kaew but there were no casualties or damage.

Thai troops fired eight rounds of smoke or illiminating shells as a warning to the Burmese.

Military sources said Rangoon troops that took positions on Hills 200 and 300 overlooking Kawmura Camp opened up with artillery, recoilless rifles, mortars and machineguns at 5 a.m. on Wednesday.

At least 2,000 Rangoon troops are now poised to attack Kawmura Camp, aiming to capture it before the end of the dry season, after overrunning the KNU's Ye Gyaw Camp on February 4, a Border Patrol Police source said. [passage omitted]

Iranian Ambassador Views Plight of Muslims

NC0603091492 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0430 GMT 6 Mar 92

[Text] Iran's ambassador in Myanmar [Burma] held a second round of talks with the deputy foreign minister of that country and called for the speedy solution of the problems of Myanmar's Muslims. During his meeting with our ambassador, the Burmese deputy foreign minister said: Most of the Muslims in the Arakan region who have fled to Bangladesh did not have identity cards and the government is currently conferring with Bangladeshi officials for the return of those whose Burmese identity is confirmed.

Brunei, Malaysia & Singapore

Malaysia

Radio Hails Bilateral Trade Ties With U.S.

BK0503120592 Kuala Lumpur Voice of Malaysia in English 0800 GMT 5 Mar 92

[Station commentary]

[Text] The bilateral trade relations between Malaysia and the United States according to a report released by the United States Department of Commerce are steadily rising. The two-way trade increased by 15 percent last year to 10 billion ringgit. Both Malaysia's exports through and imports from the United States increased by the same percentage. Exports comprising mainly manufactured goods rose to 6.1 billion ringgit and imports to 3.9 billion ringgit.

If the figures are correct, Malaysia has every reason to feel satisfied with the expansion of its trade volume with the mighty economic superpower—more so as the U.S. trade with Malaysia constitues about 20 percent of its total trade with the six ASEAN countries.

Malaysian manufactured goods appear to be finding an increasing market in the United States. It has been noted that the U.S. is seeking to define a new role in this region. Former American Ambassador to Malaysia Mr. Robert Miller said the real talk in Kuala Lumpur is that there is going to be recognition in his country of East Asia's emergence as an economic powerhouse and engine of growth.

Americans are aware that their former friends and allies have become forceful commercial competitors for the East Asian market. The countries in this region having undergone rapid economic and political changes are struggling nations no more. And as the political collusion and economic dynamism continue to grow, ASEAN and Southeast Asia are drawing a lot of interest not only from the U.S. but also from Europe, Russia, China, and Japan.

Where trade with the U.S. is concerned, Malaysia and her fellow developing countries have one cause to worry—the increasingly restrictive practices that seem to be on the rise. These countries use to become convinced that the U.S. is a firm believer in and advocate for free trade principles. In fact, it was this kind of practise in its economic relations with the rest of the world that powered its growth as the mightiest economic power on Earth. But now certain [words indistinct] for protectionist tendencies have surfaced. The current trade maneuvers being practiced by the American business community are (?taunting) developing nations in their effort to build up their own economic bases. (?Inaugural) steps will be taken to curb such practices and that the U.S. would revert to its former status as the champion of free world trade.

Malaysia and the U.S. have enjoyed a long history of good and friendly relations. Bilateral trade has expanded tenfold over the past decade. The U.S. is one of Malaysia's most important trading partners—the others being Singapore and Japan. The two countries share common goals and values although there have been disagreements from time to time. Views and perspectives may be different but with a strong will and readiness for a diplomatic dialogue, the differences can be overcome and their close ties maintained.

U.S. Plan To End Rubber Trade Privileges Noted

BK0602012492 Kuala Lumpur BERNAMA in English 0825 GMT 5 Mar 92

[Text] Kuala Lumpur, March 5 (OANA/BERNAMA)—Trade privileges for Malaysia's extruded rubber thread exports to the United States under its Generalised System of Preferences (GSP) are to be withdrawn by July, the U.S. Ambassador to Malaysia Paul Cleveland said Thursday.

The U.S. Government would be removing the product from the list of Malaysian goods which enjoyed duty-free entry into the United States under the GSP because Malaysia had exceeded the quota set for it to remain a beneficiary of the privileges, he added.

Malaysia could lose the privileges earlier, possibly in a few weeks time, if a petition filed by the North American rubber thread company last year was accepted by the U.S. Trade Representative (USTR), he told BERNAMA in an interview.

He said: "Malaysia will certainly lose GSP status for extruded rubber threads no later than July 1, 1992, because last year it captured more than half the world market for the product.

"When this happens, a product automatically loses GSP status on July 1 of the subsequent year."

With its GSP privileges taken away, Malaysia's extruded rubber thread exports would be subjected to a 4.2 per cent most favored nation import duty, he added.

Malaysia, the leading producer of extruded rubber threads in the world, supplies some 80 per cent of the U.S. market. It exported about 9,000 tonnes of extruded rubber threads to the U.S. a year.

King Installs New Ambassador to Burma

BK0603012292 Kuala Lumpur BERNAMA in English 0626 GMT 5 Mar 92

[Text] Kuala Lumpur, March 5 (OANA-BERNAMA)—The king, Sultan Azlan Shah Thursday presented letter of appointment to John Tenewi Nuek as the Malaysian ambassador designate to Myanmar [Burma] here.

Nuek, 47, was born in Bau and is the first career diplomat from the East Malaysian state of Sarawak to be appointed ambassador.

He will succeed outgoing Malaysian Ambassador in Yangon [Rangoon], Sallehuddin Abdullah, who has completed his tour of duty there early this year.

Nuek was former head of the International and Strategic Affairs Centre of the National Institute of Public Administration.

Cambodia

Sihanouk Visit to Liberated Zone Discussed

BK0603042592 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 5 Mar 92

[Text] His Royal Highness Prince Norodom Sihanouk, Cambodia's head of state and chairman of the Supreme National Council [SNC], ended his successful visit to the liberated zones of the three Cambodian national resistance groups on 2 March.

Upon his return to Phnom Penh, the prince said that his visit to the three Cambodian national resistance groups' liberated zones was very safe and successful.

The prince said that his visit was aimed at promoting national unity and reconciliation.

Only after national reconciliation is achieved can the Paris agreement be implemented.

Both the Cambodian national resistance forces and the Cambodian people are in favor of national reconciliation. They believe that after all Vietnamese are withdrawn from Cambodia under the joint supervision of the UN Transitional Authority in Cambodia [UNTAC] and the SNC, the entire Cambodian nation and people will automatically be reconciled.

Sihanouk Meetings With Foreign Officials Noted

French Parliamentarians Pay Visit

BK0503072292 Phnom Penh SPK in English 0425 GMT 5 Mar 92

[Text] Phnom Penh Spk March 5—French parliamentarian delegation led by Jean Marie Dallet and Georges Mesmin, French parliamentarian members, paid a courtesy visit here Tuesday to SNC [Supreme National Council] Chairman Prince Norodom Sihanouk.

The prince recalled friendship and cooperation in all fields between France and Cambodia during his reign. He also highly praised the then assistance of France to Cambodia and he hoped that France, an old friend would resume such act to contribute to restoring Cambodia's social infrastructure in the future.

Phillip Coste, French ambassador to SNC was also present on the occasion.

The delegation which arrived on March 2 would leave Cambodia Friday.

Polish Envoy Presents Credentials

BK0503072892 Phnom Penh SPK in English 0413 GMT 5 Mar 92

[Text] Phnom Penh SPK March 5—Krzysztof Kosel, Polish extraordinary and plenipotentiary ambassador to the Supreme National Council of Cambodia (SNC), presented here Monday evening his credential letter to SNC Chairman Prince Norodom Sihanouk.

Kosel is the 24th diplomatic representative who have presented [as received] credentials to the prince since the latter returned here on November 14, 1991 after 13 years living in exile.

Speaking to the Polish diplomat, Prince Norodom Sihanouk congratulated Polish president for sending a representative to SNC while the Paris peace agreement has been implementing by all factions. [sentence as received]

The move, the prince added, would resume the friendship and cooperation between the two countries and peoples. Diplomatic relations between Cambodia and Poland had been established since his visit to the republic, the prince recalled.

Hor Namhong, foreign minister of the State of Cambodia and member of the SNC, was also present on the occasion.

Sar Kheng Chairs Political Meeting in Kandal

BK0203094992 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 27 Feb 92

[Text] On 20 February at the meeting hall of the Communications, Transport, and Posts service of Kandal Province, a meeting was solemnly held to sum up the 1991 results and to set targets for 1992. The meeting was held under the chairmanship of Sar Kheng, member of the Standing Committee of the Cambodian People's Party [CPP], vice chairman of the State of Cambodia's Council of Ministers, and State of Cambodia interior minister.

The meeting lasted for three days with a report reviewing the work in 1991 and the targets for 1992. It clearly pointed out the major economic issues of the province, particularly agriculture, which is important in providing food to improve the people's living standards. The report also pointed out the current situation in Cambodia and enabled its delegates to grasp the goal and requirements of the party and the State of Cambodia's Government in national reconciliation and toward free and just elections in 1993. The audience debated the five key issues: political and ideological work, socio-economic work, cultural and educational work, security, and working procedures.

Speaking on this occasion Sar Kheng highly valued the results of the meeting, which provided a number of good ideas for consolidating the cadre spirit at all levels and in every sector to solve problems raised by the people and to avoid activities affecting order and national security. Sar Kheng also told the meeting about the latest development in the implementation of the Paris peace agreement and the socio-economic situation of the country in the new phase.

Sar Kheng urged the audience to consolidate their work, perform their work well, and increase the work efficiency of localities, which is an important factor leading to progress in the CPP leadership.

Khmer Rouge Repatriation Practices Discussed

BK0603072592 Hong Kong AFP in English 0712 GMT 6 Mar 92

[By Charles-Antoine De Nerciat]

[Text] Bangkok, March 6 (AFP)—The Khmer Rouge took hundreds of refugees last month from a Thai border camp into northern Cambodia after United Nations officials checked they were returning voluntarily, relief workers said here Friday.

The move from a camp under the overall authority of Ta Mok, one of the faction's most feared military chiefs, was apparently the first to be sanctioned by U.N. officials ahead of a general repatriation conducted by the U.N. High Commissioner for Refugees (UNHCR).

The UNHCR return of some 370,000 refugees from a string of camps along Thailand's border with Cambodia is planned to start April 2, Thai Foreign Minister Asa Sarasin said Thursday.

More than 400 were trucked on February 17 by the Khmer Rouge from O'Trao camp to Anlong Veng, the

northern Cambodian headquarters of Ta Mok, said the sources who requested not to be identified.

They could benefit from UNHCR resettlement assistance although they would not receive top priority, the sources said.

Under the UNHCR repatriation scheme returning refugees are to be allotted farming land and some food and material assistance to help them until the end of next year's rice harvest.

Previous moves to repatriate refugees from Thailand by the ultra-Marxist Khmer Rouge, which quickly became the strongest guerrilla faction in the Cambodian civil war after being driven from power in 1979, had provoked an outcry.

Ta Mok, who lost a leg after he stepped on a landmine during the war, is considered by Cambodia experts as one of the most brutal chieftains of the Khmer Rouge, whose near-four year rule caused the deaths of more than one million in Cambodia's "killing fields."

An attempt late last year by another commander to force back thousands of refugees from the Site-8 Khmer Rouge camp to areas infested with mines and malaria was thwarted after it drew protests internationally and other faction officials conceded it had been ill-conceived.

But the Khmer Rouge is widely believed to be determined to retain control over some 75,000 refugees housed in the three camps it controls.

According to relief workers, tension is high at Site-8 because of rumours that the camp leadership is making arrangements to take thousands of refugees back ahead of the UNHCR repatriation.

A U.N. survey has shown that a broad majority of the 47,000 people in Sith want to return to Cambodia under the U.N. plan, but Khmer Rouge officials, citing a need for refugees to be back before the monsoon rains around May, have already said they were making their own preparations.

Small groups of refugees from Site-8 have been taken by faction officials on visits to areas to the northwest of Battambang, Cambodia's second largest city, which are under Khmer Rouge control, relief workers said.

These areas are said to be relatively safe and among the most fertile in the Battambang region, Cambodia's rice basket. The visits were clearly aimed at reassuring the population of Site-8.

Meanwhile, two UNHCR buses left the Thai border town of Aranyaprathet on a trial run to test the road system in northern and northwestern Cambodia, relief workers said.

The buses are not carrying refugees.

SRV Preparing Another 'Large-Scale' Offensive

BK0603075792 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 5 Mar 92

[Text] According to reports by the local people, Cambodian national resistance forces, and foreign press, the Vietnamese aggressors and Phnom Penh side are mobilizing forces in preparation for another large-scale military offensive against the Cambodian national resistance forces' liberated zones in Stoung and Kompong Svay Districts of Kompong Thom Province.

This offensive has been mapped out and will be commanded by a group of Vietnamese military officers with 300 Vietnamese troops taking part. It will be launched by about 3,000 Vietnamese and Phnom Penh forces.

This constitutes a gross violation of the Paris agreement. Particularly, the Vietnamese are to launch this large-scale offensive under the nose of the UN forces which are investigating the shooting of a UN helicopter by the Vietnamese.

It is known to all that the Vietnamese are notorious for their breach of any agreements they sign. They did not respect the 1962 Geneva agreement on Laos and the 1973 Paris agreement between Vietnam and the United States. They are now playing the same trick regarding the 23 October Paris agreement on Cambodia.

The Vietnamese have attacked the Cambodian national resistance forces prior to the arrival of the UN Peacekeeping Force and they will attack the Cambodian national resistance forces again even after the arrival of the UN forces.

The party of Democratic Kampuchea and the Cambodian people are well aware of the Vietnamese trick. We are jointly striving to smash this Vietnamese offensive using people's warfare tactics that we have used in the past 13 years of fighting against the Vietnamese aggressors, until the UN Transitional Authority in Cambodia comes to join the SNC in supervising:

1. The total withdrawal of Vietnamese aggressor forces from Cambodia.

2. Disarming and dismantling all Cambodian factions' Armed Forces.

SRV Accused of Annexing Parts of Ratanakiri

BK0503093992 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 5 Mar 92

[Text] The Voice of the Great National Union Front of Cambodia has received several protest letters from our people in various villages and communes of Ratanakiri Province condemning the Vietnamese aggressor forces for continuing to be present in and grab chunks of Ratanakiri Province.

The letters substantially read:

In Ratanakiri Province at present thousands of Vietnamese aggressor troops continue to be present and to conduct regular suppressive and looting activities against the local people. These Vietnamese forces either camp in positions of purely Vietnamese Army units or live mingled with the Vietnamese settlers who have set up residence in wholy Vietnamese villages that have been organized into specific civilian and armed military administrations.

The letters of our people also report: The main positions of the Vietnamese forces are located at O Dambok, Veunsai, Ban Lung, Bar Kev, Minh Choa, Phum Kang, O Sethei, along the upper banks of Sesan River, and O Tang.

The letters say: The Vietnamese have moved the border posts and cut off large chunks of Ratanakiri Province. They have annexed all of the Dragon's Tail region down to O Dambok, a distance of 40 km from the border.

The letters note: Ratanakiri has become Vietnam's cheapest lair. Our people have seen the Vietnamese use Route 19 to freely transport troops and munitions into Cambodia.

The letters appeal to the Supreme National Council and the UN Transitional Authority to jointly set up control posts along Route 19 as soon as possible in order to verify that the Vietnamese forces are completely withdrawn from Ratanakiri Province.

Indonesia

More on 'Politically-Charged' Peace Boat Visit

Passengers Arrive in Darwin

BK0603071092 Jakarta ANTARA in English 0627 GMT 6 Mar 92

[Text] Jakarta, Mar 6 (OANA/ANTARA)—Some 85 people of the would-be passengers of the Portuguese ship "Lusitania Expresso" arrived at Darwin Airport, Australia, Thursday and [words indistinct] of East Timorese anti-integration elements, the Indonesian Consulate in Darwin reported Thursday.

Calling themselves participants of a "Peace Mission", they planned to make a politically-charged visit to East Timor on the ship.

According to the consulate, the ship will arrive at Darwin Port on 7 or 8 March and is reportedly to continue its journey to the East Timor capital city of Dili on 10 March.

Local police reported on Tuesday that 45 foreign journalists are already in Darwin to cover the visit.

The Indonesian Government has flatly refused the Portuguese ship's visit to Dili.

Chief of the Armed Forces General Try Sutrisno said here Wednesday: "We've already acted proportionally, but if they insist to come, they would be acting as intruders breaking our laws here. [no end quotes as received]

Australia Asked 'To Do Something'

BK0503153592 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 5 Mar 92

[Text] Foreign Affairs Minister Ali Alatas has asked Australia to do something about the planned arrival of the Portuguese ship Lusitania Expresso in Dili via Darwin. However, Minister Ali Alatas believes that Australia is unlikely to turn away foreign ships which have the proper documents. This was disclosed by Foreign Affairs Minister Ali Alatas to newsmen during his recent tour of several European countries. He said that the European countries he had visited essentially understood the Indonesian Government's explanations about the Dili incident.

Handling of Voyage Supported

BK0503080192 Jakarta ANTARA in English 0732 GMT 5 Mar 92

[Text] Jakarta, Feb. 4 (OANA-ANTARA)—The mission of the Portuguese ferry Lusitania Expresso to Dili, East Timor can no longer be considered a legitimate way of expressing concern, a member of parliament said here on Wednesday.

The program of the ship and its passengers clearly show an intention to launch an open provocation which threatens the integrity and dignity of the unitary state of Indonesia, Marzuki Darusman of the House Defence, Security, Information, Foreign Affairs Commission said.

The legislator said that he supported the statement of the Indonesian Armed Forces (ABRI) commander, Gen. Try Sutrisno, that the passengers of the ship would be deported if they visited Dili.

If undesirable things happened because the passengers insisted to come there, the responsibility should be borne by the ferry, not by the Indonesian Government, he said.

With regard to the war of information where foreign reports on the planned visit of the ship tend to corner Indonesia, Marzuki said that foreign journalists should be given ample chance to cover the Indonesian way of handling the problem.

If foreign journalists see for themselves our ways of enforcing our laws as well as international law, they could have written more balanced reports, he said.

Lusitania Expresso under the command of skipper Dos Santos is an old ferry which, according to reports, has a cruising speed of only 8.0-10 knots per hour.

In response to a proposal by Dili's bishop, Carlos Belo, that East Timor be given autonomy, the politician said

that should a privilege be given to East Timor, it should be connected with its integration into Indonesia.

He said that integration has two aspects, namely its declaration and process.

The first aspect has been done while the second one still needs special attention which cannot be achieved merely by means of economic progress, he added.

He reminded, however, that the special attention cannot be separated from the concept of the unitary state of Indonesia.

More on Economic Accords Signed With Thailand

Results Called 'Favorable'

BK0503152992 Jakarta ANTARA in Indonesian 1400 GMT 5 Mar 92

[Text] Jakarta, 5/3 (ANTARA)—Foreign Affairs Minister Ali Alatas has said that a joint commission for economic, trade, and technical cooperation established by the Republic of Indonesia and Thailand is a bilateral bond which can serve as an preliminary step toward an ASEAN Free Trade Area [AFTA].

"Indeed, the Republic of Indonesia-Thailand joint commission will not specifically discusse the AFTA, but this bilateral accord is something favorable for the AFTA," Foreign Affairs Minister Ali Alatas told newsmen in Jakarta on Thursday afternoon following the signing of the bilateral accord.

Accompanied by Thai Foreign Affairs Minister Asa Sarasin, Alatas said that the AFTA itself would be discussed appropriately at an ASEAN forum. However, he did not rule out the possibility of each country undertaking bilateral or multilateral cooperation within the AFTA context.

Confirming the Indonesian foreign affairs minister's remarks, Asa Sarasin said that the Indonesian-Thai bilateral accord in the economic field was a preliminary step toward the creation of the ASEAN Common Effective Preferential Tariffs [CEPT] in the next 15 years.

ASEAN's determination to create the AFTA through the CEPT arragements was affirmed by the ASEAN heads of state or government in Singapore by the end of last January.

Sarasin said that the two sides agreed on two frameworks for a bilateral protectionism and double tax avoidance agreement meant to spur investments from Thailand to Indonesia and vice versa.

"With the double tax avoidance agreement, Indonesian investors in Thailand and Thai investors in Indonesia [words indistinct].

Alatas added that the joint commission, as a manifestation of [words indistinct] last January, would meet periodically at least once a year in each other's capitals on a rotational basis.

He said that the joint commission was empowered to monitor the implementation of agreements and would serve as a vehicle for all forms of economic and technical cooperation between the Republic of Indonesia and Thailand in the future.

Not only did the bilateral commission in its inaugural session produced more progressive agreements but it also agreed on a number of direct trade links between members of the Indonesian private sector and their Thai counterparts accompanying Foreign Affairs Minister Sarasin.

Under the bilateral agreements, the Republic of Indonesia and Thailand agreed on promoting cooperation in the field of air and sea transport, Thailand's purchase of gas through pipes from Indonesia, Thailand's use of the Palapa satellite, and promotion of cooperation in tourism and agriculture, particularly fishing.

All of these decisions are designed to promote and encourage the business activities of each other's private sector.

Also present during the inaugural session of the joint commission were managers of their respective chambers of commerce and industry of the two countries. Sotion Arjanggi, general chairman of the Indonesian Chamber of Commerce and Industry, was present.

Team To Study Gas Supply

BK0603080192 Jakarta ANTARA in English 0539 GMT 6 Mar 92

[Text] Jakarta, March 6 (OANA/ANTARA)—Thai and Indonesian businessmen have agreed to form a joint team to study the possibility of supplying Indonesia's gas to Thailand through a pipeline.

The agreement was reached in a meeting between executive members of the Indonesian Chamber of Commerce and Industry (Kadin) and visiting Thai businessmen here on Thursday.

The meeting discussed, among other things, efforts to promote economic relations between the two countries, including cooperation in mining and energy, forestry, fishery, agricultural, financial, trading and banking sectors.

In connection with bilateral trade relations, businessmen of the two countries during the meeting proposed inclusion of more commodities from both countries in the list of the ASEAN Common Effective Preferential Tariff (CEPT).

In the mining sector, they agreed to form a joint technical commission to study the possibility of sending gas

to Thailand through pipes and explore cooperation in oil exploration, technology exchange, and training.

The team, which will consist of experts of Thailand's oil authority PTT [Petroleum Authority of Thailand] and Indonesia's state-owned oil company Pertamina, is to be set up within the next two months.

The meeting also agreed on the need to initiate cooperation to attract Thai investors to make investments in coal mining in Indonesia. The coal will be supplied to Thailand in a long period.

It was observed at the meeting that Indonesia's imports of minerals in 1990 were worth 190 million U.S. dollars, while the supply of minerals from Indonesia to the export market in the same year was valued at only 10 million U.S. dollars.

In the forestry sector, they agreed to promote cooperation in forestry investment projects in Indonesia, while in the agricultural sector, Indonesia offered investment projects in the horticultural field, especially in West and North Sumatra, North and Southeast Maluku, and East Nusatenggara.

In the financial and banking sector, Indonesia asked for wider opportunity for Indonesian banks to open branches in Thailand. Bilateral cooperation in capital market business was also proposed.

Cooperation in capital market business proposed in the meeting included the adjustment of regulations and exchange of information between the capital markets of the two countries.

Attack by 30 Irian Separatists Repulsed

BK0503085292 Jakarta ANTARA in English 0752 GMT 5 Mar 92

[Text] Jayapura, Irian Jaya, March 5 (OANA-ANTARA)—A unit of the Indonesian Armed Forces (ABRI) foiled an attack by members of GPK (trouble makers group) [official term for the Free Papua Movement or OPM, fighting for an independent state in Irian Jaya] to Eramba Village in Merauke Regency, Irian Jaya Province on Sunday thanks to the support of local inhabitants.

About 30 GPK members attacked the village at 0540 local time to create destruction and to occupy a police station, but the attack was aborted, Lieutenant Colonel Siswanto, spokesmen of the Trikora Military Territorial Command VIII, said here Wednesday.

Before leaving the village, they robbed a KUD (village unit cooperative) and burned a wooden bridge over Kali Wango River. There were seven policemen at the police station when the trouble makers attacked the village. They foiled the attack before a platoon of troops arrived at the location at 0740 thanks to the support of local inhabitants, the officer said.

Laos

Visiting Officials, Delegations Hold Meetings

Thai Minister Urges Cooperation

BK0503143992 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 5 Mar 92

[Text] Thai Deputy Foreign Minister Wichian Watthanakun, who arrived in Vientiane on 4 March for a short visit to Laos, this morning handed through Phoun Sipaseut, the deputy prime minister, and the minister of foreign affairs, an official letter from His Excellency Anan Panyarachun, prime miniser of the Kingdom of Thailand, to H.E. Prime Minister Khamtai Siphandon.

The letter contains Thailand's proposal for promoting cooperation among the riparian countries of the Mekong River. Pending the restructuring of the Mekong River organization, Thailand has proposed that the old organization be allowed to complete its work plans with participation of the Cambodian Supreme National Council. The Lao side has accepted the proposal for further consultations.

Phoun Sipaseut, deputy prime minister and minister of foreign affairs, thanked the Thai Government for having attached significance to this issue and accepted the proposal for thorough consideration for the common interests of the Mekong riparian countries on the basis of international practices.

Thai Group Views Narcotics Control

BK0503151192 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 5 Mar 92

[Text] At 1010 today, Thai Deputy Prime Minister Police General Phao Sarasin and a Thai Government delegation arrived in Vientiane for a [word indistinct]-day visit to Laos at the invitation of Phoun Sipaseut, deputy prime minister and minister of foreign affairs.

At 1100 Phoun Sipaseut received his Thai counterpart at the government's guest house. During the one-hour meeting, the two sides held consultations on three issues related to the narcotics problem and exchanged views on narcotics control and suppression work in each country. They also discussed the preparations for opening a conference of Lao, Thai, and Myanmar [Burmese] officials on cooperation in narcotics control and suppression operations scheduled to take place in Vientiane from 12 to 15 March.

Inspection Agreement With SRV Noted

BK0503151392 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 5 Mar 92

[Text] Maichantan Sengmani, member of the party Central Committee Political Bureau and president of the party Central Committee Inspection Board received the delegation of the CPV [Communist Party of Vietnam] Central Committee Inspection Board led by Le Van

Kiet, member of the CPV Central Committee and vice president of the board, yesterday afternoon.

During the meeting, Maichantan Sengmani praised the success of the visit to the Lao People's Democratic Republic of the delegation, which, he said, will significantly benefit cooperation and exchange of experiences in party inspection work between the two countries and contribute to strenghtening comprehensive solidarity between the parties, states, and peoples of the two countries.

In the evening of the same day, a memorandum of cooperation between the LPRP [Lao People's Revolutionary Party] and CPV inspection boards was signed. The memorandum stated that the two inspection boards will continue to exchange visits of high-level delegations, experiences, and related information and news. The two sides have agreed to facilitate such working visits of each other's high-level delegations.

Signing the document on the Lao side was Dr. Davon Vongsak, alternate member of the party Central Committee and vice president of the party Central Committee Inspection Board, and Le Van Kiet, member of the CPV Central Committee and vice president of the CPV Central Committee Inspection Board. The signing ceremony was also witnessed by Lao and Vietnamese high-level cadres and technicians.

Kaysone Phomvihan Greets Bulgarian National Day

BK0503030492 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 5 Mar 92

[Congratulatory message from His Excellency Kaysone Phomvihan, president of the Lao People's Democratic Republic, LPDR, to His Excellency Zhelyu Zhelev, president of the People's Republic of Bulgaria, in Sofia; dated 2 March 1992]

[Text] On the occasion of the National Day of the People's Republic of Bulgaria, on behalf of the Lao people and in my own name, I wish the Bulgarian people happiness and prosperity. I firmly believe that the long-standing relations between the Lao Peoples Democratic Republic and the People's Republic of Bulgaria will be further developed and enhanced for the interests of the peoples of our two nations.

Philippines

Out-of-Court Agreement With Westinghouse Reached

HK0603035592 Manila THE CHRONICLE in English 6 Mar 92 pp 1, 6

[By Booma Cruz and Johanna Son]

[Text] The Philippines has agreed to activate the controversial $2.3 billion 620-megawatt nuclear plant in Bataan, reversing its stand after being convinced the plant will avert a power crisis and that safety concerns will be effectively laid to rest by a rework to bring it to "current United States standards."

The out-of-court settlement, however, must still be ratified by the Philippine Congress and Westinghouse's board of directors before it becomes effective.

Manila's chief negotiator, Sen. [Senator] Rene Saguisag, also the Senate's chairman of the committee on the nuclear plant, described the settlement as one that "the President could live with."

He added that President Aquino and her Cabinet never said they were against the operation of the plant.

The pact drew an immediate and strong reaction from Sen. Wigberto Tanada, who said, "I object to the operation of the plant in the same site, because it would pose great danger to our people."

He also asked why there was no provision in the agreement on the disposal of nuclear waste.

Tanada also said that whatever "upgrading might be pointless" because the plant lies in an earthquake zone.

The Nuclear-Free Philippines Coalition also slammed the compromise agreement as "a conspiracy against the Filipino people" because it is located on the western slope of Mt. Natib, which the coalition says is classified by seismologists as a semi-active volcano. The group added that the site is in an active earthquake zone.

Malacanang said, however, that "if you do a thorough study of the BNPP (Bataan Nuclear Power Plant) papers, it is a good deal. It addresses the problems that the BNPP, specially the certification of international proof of safety, before Westinghouse could run it. It serves the purpose of the people. It is a good ending to the BNPP saga."

In the U.S., the Philippine ambassador to the United Nations, Sedfrey Ordonez, said, "After many years, we've come to a moment of truth. Perhaps this will eventually end the brownouts."

Saguisag also said the accord would save the Philippines legal costs, would add badly needed power to the Luzon grid and help reduce dependence on coal and imported oil.

"This arrangement is expected to provide the Philippines with electric power that is substantially less expensive than any other power-supply option available to us," he added.

The out-of-court settlement of the $17.3 million bribery case was reached Wednesday just two hours before the deadline for a compromise agreement set by United States District Judge Dickinson Devevoise and two days after a jury was selected for the trial.

The settlement ends the bribery trial in the U.S. federal court as well as the commercial litigation being heard by a Swiss arbitration panel.

There was no admission of wrong-doing by the two respondent companies, Pittsburg-based Westinghouse Electric Corp. and the New Jersey engineering company, Burns and Roe Enterprises, Inc.

The 12-page settlement does not mention either work or payments to be made by Burns and Roe.

"This is a win-win situation," said David Boies, lead attorney for Westinghouse. "The Philippines is getting a good plant and electricity, and Westinghouse is getting an opportunity to see it operate."

The pact provides that the Philippines borrow $400 million, to come from the U.S. Export-Import Bank (Eximbank), to pay Westinghouse to upgrade the plant. Westinghouse will then run the plant for 30 years and get a portion of the revenues.

Westinghouse will pay the Philippines $10 million in cash and $90 million in credits. Westinghouse said it expects to make $40 million a year plus 2.9 (U.S.) cents per kilowatt-hour after the nuclear facility becomes operational in 1995.

When the plant is running, Westinghouse will have 15 years to compensate the Philippines for its $400 million debt.

"To the Philippine people, the net result of the cost of producing the power is about $300 million present day value, or $2 billion over the life of the plant," Mark Augenblick, a lawyer for the Philippine government, said.

Saguisag said that while the Philippines will still have to pay the $348 million outstanding nuclear plant-related loans, the accord provides that the loans be paid out of the revenues to be generated by the BNPP.

Other factors that prompted Manila to settle was the possibility the jurors would be affected by the recession in America and may be unsympathetic to foreigners' causes, Saguisag said.

Even without the trial, however, "the declarations of Judge Devevoise are a permanent contribution to the effort to find out the truth about Mr. (Ferdinand) Marcos' corruption," he added.

If Congress does not approve the settlement, Saguisag said, the case can still be tried at the option of the Philippines.

He also said that the evidence that was discovered and was to have been presented at the aborted trial will still help in "any proceeding" that may be filed in the future against Citicorp, the BNPP financier, Marcos crony and suspected bagman Herminio Disini and the estate of Marcos.

Saguisag also said this is the first time that Westinghouse will operate a nuclear plant, a condition the Philippines sought to help guarantee that safety provisions are strictly followed.

The rework on the design and construction will also be inspected and certified by an international panel of recognized experts, he said.

Another negotiator, Ernesto Aboitiz, said the 620-megawatt nuclear plant, with an estimated useful life of 30 years, could save the Philippines up to 25% in petroleum imports and provide 20% more power to the 3,000-megawatt Luzon grid.

The Nuclear-Free Philippines Coalition continued to insist, however, that agreement is "treasonous." "All the while we had thought that we have learned our lessons from America's Three-Mile Island (accident), the (former) Soviet Union's Chernobyl (melt-down) and that the eruption of Mt. Pinatubo had permantly sealed the future of the BNPP."

The coalition called on all Filipinos, including Congress, to reject the settlement. "We therefore view this decision of the Philippine government as a continuation of the treasonous conspiracy which former President Marcos began in July 1973, when he signed a decree signalling the start of the nuclear power program in the Philippines."

Westinghouse got the BNPP contract in 1976, but it was never operated after it ran into strong public opposition when it was found to be near an earthquake fault line and information became available showing shoddy construction and that the nuclear reactor model itself is old and is no longer being built anywhere else.

The nuclear plant was completed in the final months of the Marcos dictatorship and ultimately became the symbol of Marcos corruption.

The administration of Mrs Aquino filed the bribery charges in 1988 and the trial would have started Wednesday.

Judge Debevoise ruled earlier that the Philippines could only collect up to $17.3 million, the amount of the alleged bribe, in compensatory damages.

The Philippines could also have collected unspecified amounts of damages if it had prevailed in the Swiss arbitration panel.

The settlement aborted what could have been a trial full of dramatic testimonies by several former employees of the two respondent companies on how the money was allegedly funnelled to the late dictator.

'Boorish' U.S. Policy Seen on Subic Issues

HK0603070292 Manila PHILIPPINE DAILY INQUIRER in English 6 Mar 92 p 4

[Editorial: "Maximum Retribution"]

[Text] Barely two years after completing *In Our Image*, Stanley Karnow may be thinking of rewriting his Pulitzer Prize-winning work on Philippine-American relations. "I wrote that we were bound by history, but I think I was wrong," Karnow was recently quoted as telling TIME magazine, after noting that without its bases in the Philippines, "there is no incentive to help" on America's part.

Karnow is only partly right. For the U.S. not only is unwilling to help, it also is doing its best to extract its pound of flesh after the Senate rejected a new base treaty. And it is making certain every layer of flesh it scrapes off hurts.

Last month, the U.S. Navy towed away one floating dry dock from Subic Naval Base, and U.S. officials say the other two will be pulled out by April, despite the pleas of President Aquino to keep them where they are to mitigate the economic dislocations resulting from the pullout, particularly on base workers. Earlier, U.S. officials said aid to the Philippines will be slashed by half starting next year. Now they also want to leave it with the task of cleaning up their mess, including toxic and possibly nuclear wastes.

To add insult to injury, U.S. officials have been trying to cloud the issues and speaking patronizingly about Filipinos and the Philippines. Ambassador Frank Wisner, for instance, has wondered aloud if the government could spare $1 million a year for the maintenance of a single dry dock, completely ignoring the commercial possibilities of operating the facility. On the question of cleaning up toxic wastes, both Wisner and Assistant Defense Secretary James Lilley said there was no need for it, since there was no such waste to dispose of. Lilley said the U.S. had an "outstanding track record" in the management of toxic wastes, while Wisner said reports of their presence was "beyond the realm of reasonable calculations."

But if anyone erred in its calculations, it was the same government that Wisner and Lilley represent. For it was the U.S. General Accounting Office that confirmed the presence of toxic wastes. The cost of cleaning them up has been estimated to reach P1.5 billion [pesos], although there are serious doubts whether the Philippines has the expertise and facilities to do the job.

If the U.S. is being boorish, it only surprises Little Brown Americans. The policy of maximum retribution is a normal U.S. response to poor nations that refuse to toe the line and dare to be free, from Vietnam to the nations of Central America or anywhere else. It stems from America's overweening pride and sense of self-importance, often born out of ignorance as typified by Rep. James Leach. Adverting to the rejection of the proposed treaty, the senior Republican in the House subcommittee on Asian and Pacific affairs said: "Filipinos played Russian roulette with their future and pulled the trigger with a bullet in the chamber."

Maybe, Leach labors under the delusion that all there is to the Philippine economy are U.S. aid and the honky-tonks of Angeles and Olongapo. If so, he should be told that while leeches live off the blood of others, Filipinos can survive on their own wits, efforts, and resources. It's no use debating with words, Filipinos must prove it by standing on their own, as nationalists have argued for so long.

If it was suicidal to affirm national independence and sovereignty and follow our Constitution, so be it. Surely it's better to die by one's own hand with pride and dignity than to be slowly suffocated in the tight embrace of a self-centered fiend masquerading as a friend.

Foreign Minister Reiterates Claim to Spratlys

HK0603101892 Hong Kong AFP in English 1003 GMT 6 March 92

[Text] Manila, March 6 (AFP)—Foreign Secretary Raul Manglapus reiterated the Philippines' claim to part of the Spratly Islands Friday but said Manila was ready to engage in talks with the other claimants to settle the issue.

Manglapus issued the statement in reaction to the Chinese parliament's passage of a law claiming the Spratlys, a scattered group of islands in the South China Sea which are also wholly or partially claimed by the Philippines as well as Brunei, Malaysia, Taiwan and Vietnam.

In his statement, Manglapus said Manila "is prepared to engage in talks for the settlement of the conflicting claims in the area by peaceful means and without resort to use or threat of force."

"The Philippines hopes that the various claimants would take no action which would disturb the climate conducive to peaceful negotiation of the conflicting claims," he added.

He also noted that since June, 1978, the Philippines had already claimed the eight islands of the Spratlys currently occupied by Philippine troops as part of the national territory.

Philippine military officials previously said they were ready to defend those islands.

Kidnappers Release Video of American Executive

HK0603003392 Manila PHILIPPINE DAILY INQUIRER in English 5 Mar 92 pp 1, 10

[By Dave Veridiano]

[Text] A video footage of American executive Michael Barnes was sent by his abductors to the kidnap-victim's

family late last month, apparently to reiterate their ransom demand of $20 million.

A government investigator showed the INQUIRER portions of the footage recorded on an 8 mm format which was sent to Mrs. Laura Barnes last Jan. 23.

A dubbed portion of the footage showed Barnes wearing a white T-shirt with a round table in front of him.

Barnes, looking haggard, was shown being guarded by hooded men carrying high-powered rifles. At least two AK-47 rifles, one .45 and .9-mm automatic pistols and several magazines, were neatly arranged on top of the table.

At the background was a white flag with a red Scorpion emblem, similar to that used by members of the Alex Boncayao Brigade (ABB) during clandestine press conferences.

In one part of the tape, a hooded man with only his eyes visible, appears beside Barnes and reads a message to Barnes family.

The room, about four meters wide and six meters long, is totally bare, except for the round table covered with white cloth.

There is a mellow background music throughout the three-minute viewing of the tape. The music is sometimes interrupted by the sounds of passing motorcycles and the crying of a child.

The INQUIRER learned later that the tape was delivered to the Barnes house at 13 Banaba Road, South Forbes Park, Makati, through the DHL speed package delivery service.

The tape was made to appear like a gift package with markings "Greatest Hits of America" and "Blacklabel."

The package was traced to have been sent by a certain Vancio Cleofas of Sta. Ines, Mabalacat, Pampanga.

An intelligence report about the development on Barnes' kidnapping case obtained by the INQUIRER showed that at about 10:50 a.m. of Jan. 24, Barnes' office in Makati received a telephone call from a man claiming to be a member of the Red Scorpion Group (RSG), inquiring if the video tape had been received by the Barnes family.

The report said Tito Fernandez of the Philippine Geothermal Inc., [PGI] an assistant of Barnes, entertained the caller.

Three days later a second call was again received by Fernandez this time the caller was confirming an earlier call made on Jan. 17 demanding $20 million for Barnes' freedom. The caller also demanded cellular phones from the PGI as part of the negotiation.

The report said, before conforming with the caller's demand, Fernandez asked the caller a few questions to make sure Barnes was really with them.

The caller's response to Fernandez's questions came on Jan. 29, where the RSG's representative answered correctly where Barnes' wedding ring was bought and for how much.

The report showed that there were at least six telephone calls to negotiate for ransom made by the kidnappers to the PGI office in Makati.

On Jan. 30, the fifth call of the kidnappers, the caller gave the PGI 48 hours to comply with the demand. However, the PGI authorities failed to meet the demand because it was "very unrealistic."

Three days later, the kidnappers called again and insisted that their demand be met by the PGI saying it is realistic because they "have lots of data" about the PGI's operations in the country.

Barnes, 41, of Long Beach, California, was abducted by a group of armed men on Jan. 17 in front of his office building along Gil Puyat Avenue in Makati.

Police said communist rebels were behind the kidnapping of Barnes to raise funds.

The New People's Army has denied responsibility for the kidnapping.

Police Claims Kidnappers Identified

HK0603034992 Manila BUSINESS WORLD in English 6 Mar 92 p 12

[By Ramoncito P. dela Cruz]

[Text] The Philippine National Police (PNP) has already identified at least six members of the syndicate responsible for the kidnapping of Philippine Geothermal Inc. vice-president and general manager Michael Lynn Barnes.

In an interview with newsmen, PNP Criminal Investigation Service Command director Vicente Vinarao showed several close-up shots of the kidnappers, but refused to identify them or release their pictures to media.

"It might jeopardize our operations against them," he explained.

He revealed that the police and kidnappers communicate regularly, "in fact we are awaiting for a phone call from the kidnappers within this week."

As this developed, presidential aspirant Ramon Mitra disclosed that he has gotten information that two of the kidnappers were "policemen" but did not say if they were still in active duty or not.

Mr. Mitra is reportedly contacting the kidnappers through his connections with former colleague and now Communist Party of the Philippines [CPP] leader Satur Ocampo.

At the same time, PNP deputy general Gerardo Flores, the concurrent chief coordinator for the Anti-Kidnapping Task Force, insisted that Alfredo de Leon, the prime suspect for the Barnes kidnapping, heads the "dirty tricks department" or the Special Partisan Operations group of the CPP/New People's Army Executive Committee.

"The Barnes kidnapping was a highly classified operation executed by the executive committee without undertaking any coordination with regional committees for obvious security reasons," he claimed.

"Thus," he stressed, "(Sergio) Romero (of the Metro Manila Alex Boncayao Brigade), (Gregorio) Rosal, and (Leopoldo) Mabilangan (of the Southern Luzon Melito Glor Command), as members of the CPP regional organizations, clearly had no official authority or credibility to issue statements or to disown actions made by the national organ which they were ignorant of in the first place."

The three regional leaders, in separate instances, denied the communist movement is involved in the Barnes kidnapping.

Comelec Rules Imelda Marcos' Candidacy Valid

HK0603065792 Manila THE CHRONICLE in English 6 Mar 92 p 7

[By Butch Franco]

[Text] Former first lady Imelda Marcos is not a nuisance candidate, and has not violated the 10-year residency requirement for all the presidential bets immediately before the May 11 polls, the Comelec [Commission on Elections] ruled yesterday.

Lawyer Pedro Peralta had earlier filed a petition seeking the disqualification of Mrs Marcos from running for President.

In his petition, Peralta argued that Mrs. Marcos should be disqualified on the grounds that she was a nuisance candidate and lacked the 10-year residency requirement.

"I will appeal the case to the Supreme Court [SC]," said Peralta, after he learned of the decision.

But when reminded that the High Tribunal has always sustained all the decisions of the Comelec, Peralta said that the issues he raised "are very big for the country." He added that perhaps this would be the first time that the SC won't sustain a Comelec decision.

In a unanimous decision, the Comelec ruled that Mrs. Marcos could not be cosidered a nuisance candidate as stipulated in the Omnibus Election Code (OEC) as well as the Comelec's Rules of Procedures.

A nuisance candidate is defined under OEC as: "Any candidate for any elective office who filed his certificate of candidacy to put the election process in mockery or disrepute or to cause confusion among the voters by the similarity of names of the registered candidates or who, by other acts or circumstances, is clearly demonstrated to have no bona fide intention to run for the office for which the certificate of candidacy has been filed, thus preventing a faithful determination of the true will of the electorate...."

Comelec To Assign More Protection in Hotspots

HK0603063192 Quezon City DWDD Defense Department Radio in Tagalog 0400 GMT 6 Mar 92

[Text] The Commission on Elections [Comelec] has instructed the Philippine National Police [PNP] and the Armed Forces of the Philippines [AFP] to monitor the 200 election hot spots which may become sources of poll violence. Comelec Chairman Christian Monsod issued this directive to avoid election-related killings and other forms of violence.

The PNP, AFP and the Department of Interior and Local Government have sent a joint-intelligence report to the Comelec describing each province's political climate. Prior to this, Commissioner Heidi Yorac said that more troops will be assigned to areas with histories of violent political rivalry.

CPP Leader Sees Moves To End Insurgency War

HK0503034392 Manila PHILIPPINE DAILY INQUIRER in English 5 Mar 92 p 8

[Text] Communist leader Jose Ma. Sison has said in Utrecht, The Netherlands, that the Philippine government and the National Democratic Front [NDF] are gradually moving toward negotiations to end the 22-year-old insurgency war.

There are indications that this is so, Sison said, but added he was not authorized to disclose details.

The founding chairman of the Communist Party of the Philippines [CPP] made the assessment in a question-and-answer interview initiated by Dispatch News Service.

In the same interview, Sison also scored Gen. Lisandro Abadia, Armed Forces chief of staff, for vowing to avenge the killing of at least 39 soldiers and militiamen by New People's Army [NPA] guerillas in Surigao del Sur.

Sison said resumption of peace talks is contingent on the sincerity of the Philippine government to end the war.

"There can be success in peace talks if both sides are determined to discuss and agree on mutual respect for human rights and on basic social reforms which serve the national and democratic interests of the people," Sison said.

The peace agenda, he said, should include mutual respect for human rights; economic and social reforms; constitutional, political and electoral reforms; and truce terms for a ceasefire.

He added, however, the holding of peace talks does not necessitate a ceasefire, describing it as foolhardy for the NDF to engage in a protracted cessation of hostilities "without any substantive agreement for the benefit of the people."

The CPP titular head reiterated the NDF's proposal to hold the peace negotiations abroad "for the mutual safety and convenience of the negotiating panels and their support personnel, with an intermediary third party to steer the talks.

On the NPA ambush in Marihatag, Surigao del Sur where Army survivors reported atrocities by young communist guerillas, Sison decried Abadia's use of "all sorts of propaganda to minimize their embarrassment..."

The ambush, he said, disproves the "false claim to victory" by the government in the insurgency war. "The false charge that NPA fighters are in their early teens can only make the AFP [Armed Forces of the Philippines] look incompetent in the battlefield."

It cannot be readily believed that the NPA engage in mutilation, he said, "because in battle there may be casualties who get the most of concentrated fire."

Sison decried Abadia's announcement of reprisal as "irresponsible and vindictive," and "incites troops to commit more and worse human rights violations."

The NDF, he said, has always been willing to engage in peace talks with government. However, with or without peace talks, it will continue fighting and working for the national democratic interests of the people, Sison said.

Sison is in self-exile in the Netherlands after fleeing the country in 1987 upon the collapse of peace talks between the NDF and the government. He was a political prisoner for nine years until the dictator Ferdinand Marcos was toppled in 1986.

Aquino Denies Negotiating

HK0503144192 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Mar 92

[By Dick Sinchongco and Joe Taruc]

[Text] President Cory Aquino has denied that there are ongoing negotiations between the government and the communist rebels to end the 20-year old insurgency problem. The president explained there are no talks or any concrete action being taken toward resuming peace talks with the rebels. She said that the government's decision is to pursue its peace process initiative at the local level, stressing that there is no change in this policy. This was the chief executive's reaction to a published statement by Jose Maria Sison, chairman of the Communist Party of the Philippines [CPP], saying that the government and the communist rebels are moving towards ending the insurgency problem.

Meanwhile, General Lisandro Abadia, Armed Forces chief of staff, has strongly criticized Jose Maria Sison, CPP-New People's Army [NPA] chairman, for spreading lies and dirty propaganda. Abadia has accused Sison of spreading reports that the government and the CPP-NPA leadership have agreed to hold national level peace talks. In the report, Sison stated that the government has agreed to a political solution for the communist rebels 20-year-old struggle. General Abadia emphatically denied the report, while clarifying that the CPP-NPA is launching dirty propaganda to force the government into granting their wish to have national level peace talks.

Thailand

PRC Science Delegates Call on NPKC Chairman

BK0503141392 Bangkok Army Television Channel 5 in Thai 1230 GMT 5 Mar 92

[Text] At the Supreme Command Headquarters at 1000 today, General Ding Henggao, PRC minister in charge of national defense science, technology, and industry, and his delegation paid a courtesy call on General Sunthon Khongsomphong, chairman of the National Peace Keeping Council [NPKC]. The Chinese delegation is on an official visit to Thailand.

Patrol Clashes With Vietnamese Pirates in Gulf

BK0503150192 Bangkok Army Television Channel 5 in Thai 1230 GMT 5 Mar 92

[Text] A Thai naval patrol has clashed with Vietnamese pirates using a trawler seized from Thai fishermen. The pirates' ship was damaged in the clash. Its 15 crewmen were arrested and several kinds of weapons were confiscated.

The incident took place at midnight yesterday as the Royal Thai Navy Ship, Hanhak Sattru, of the 1st Naval Fleet based at Sattahip District, Chonburi Province, was patrolling inside Thailand's exclusive economic zone. It came across a Thai-flagged trawler called Chok Sarawut, which began travelling at an unusually high speed just as it saw the patrol boat approaching. The Navy sent out a search signal, but the trawler resisted and opened fire. A fierce exchange of gunfire erupted. The midsection of the junk was hit and caught fire, forcing the Vietnamese crew to jump into the sea. Fifteen of them were arrested. The search found several kinds of war weapons, including one 12.7 mm gun, one antitank rocket, several bombs, and RPG [rocket-propelled grenade] rockets. The weapons were confiscated. The navy tried to tow the boat to the coast of Songkhla Province, but due to the heavy damage, it sank before reaching its destination damage.

The incident is proof that Thai fishing trawlers have been plundered and seized for piracy. According to Admiral Prachum Khruawan, commander of the Naval Fleet, all Vietnamese pirates would be interrogated and action be taken against them pending negotiations between the Foreign Ministries of both countries.

Oman Oil To Buy Shares in Refinery Project

BK0603023392 Bangkok THE NATION in English 6 Mar 92 p B2

[Text] Oman Oil Co (OOC), the state-owned firm in charge of overseas investment, is expected to be one of the shareholders in the 150,000-barrel-a-day refinery project which also has US-based Caltex and the Petroleum Authority of Thailand [PTT] as the other two shareholding partners.

OOC, under the jurisdiction of the Ministry of Petroleum and Minerals in Oman, was invited by top Caltex officials in Dallas to invest in the Thai refinery scheme, which is projected to cost more than Bt [baht] 10 billion. Caltex will hold a 60 percent stake in the project while PTT will take the remaining 40 per cent. The project is to be listed on the stock exchange in the following stages.

An adviser of the Minister of Petroleum and Minerals told THE NATION that the Thai project is one of several possibilities being explored by the Sultanate of Oman for investment in the Far East.

Japan and South Korea are currently the two biggest buyers of Omani Blend, the high-quality crude produced by Oman, followed by Taiwan. Part of the 700,000-barrel daily production is also exported to Singapore for refining and re-export.

The official, who advises Minister Sa'id Bin Ahmad Al-Shanfari, said Omani crude could be supplied to the planned refinery in Thailand. Caltex late last year signed an agreement with the Thai government to build the refinery along the Eastern Seaboard. The deal is the second in the industrial area, following the award of another licence to Shell.

Oman's crude production has been increasing steadily from about 650,000 barrels per day in 1990 to the present 700,000 barrels. He said the 1992 target is to further increase output to 750,000 barrels. More than 90 per cent of the output is achieved by Petroleum Development Oman (PDO), a joint venture with foreign partners formed by the Omani government in 1980.

He said increased crude supplies for Thailand are possible given that production in Oman is still rising and existing supply contracts with major buyers like Japan and Korea are renewable on a yearly basis. Japan takes about 40 per cent of Oman's crude output.

Due to its heavy dependence on petroleum export earnings, Oman has in past years embarked on an economic diversification programme with emphasis on development of the light manufacturing and tourism industries as well as overseas investment.

Thai Ambassador to Muscat Manop Pahksuwan welcomed Oman's interest in the Thai refinery project, saying that a deal could further strengthen bilateral relations. The envoy, meanwhile, encouraged Oman to increase direct trade with Thailand and cooperation in agriculture and fisheries.

With abundant fishery resources along its 1,700-kilometre coastline, Oman, situated southeast of the Arabian Peninsula, could enter into joint fishing ventures in its territorial waters with Thailand whose fishery sector is more developed. The ambassador also urged Oman to buy more manufactured goods directly from Thailand instead of through traders like Dubayy.

During last month's meeting with the Omani minister of labour, Manop was informed of the desire to admit Thai workers for both skilled and unskilled jobs, particularly in anticipation of the many development and construction projects to be launched during the new economic and development programme. The five-year plan began on Jan 1 of this year.

So far there are only a few hundred Thai workers in Oman, largely due to the fact that several projects were halted at the outbreak of the Gulf war in late 1990 and because wages for foreign workers in Oman are less attractive than elsewhere.

To promote more manpower imports from Thailand, Oman has requested that the Thai envoy prepare a list of requirements for consideration.

Animal Smugglers Blamed for Imposition of Ban

BK0603025392 Bangkok BANGKOK POST in English 6 Mar 92 p 2

[Excerpt] Kyoto, Japan—Animal smugglers in Thailand are to blame for a trade ban imposed on Thailand by the Convention on International Trade of Endangered Species (CITES), Deputy Permanent Secretary for Agriculture Phong Leng-ee said yesterday.

The ban, imposed last April, has tarnished the image of the country, he said.

Mr Phong, who led a Thai delegation to the Eighth CITES meeting in Kyoto, said he has tried his best to tell delegates that Thailand has tried to respond to the convention.

Measures taken include amending related laws and the stepping up of efforts to stop the illegal animal trade which appears to have become rampant with Thai animal dealers having connections with foreign dealers.

Failure to follow CITES rules and regulations by Thailand was another factor that led to the ban. Thailand has not submitted the country's annual reports to CITES

since 1987 because some obsolete laws prevented officials from complying with the convention.

This made other convention members believe Thailand does not want to honour its commitment.

Police and Customs officials will soon be invited to attend a seminar and make themselves familiar with the convention. The session will be arranged by officials handling implementation of the convention, he said.

The police will be asked to track illegal animal dealing as they have proved more efficient doing so than forestry officials. Illegal ivory and trophy trade has been intercepted recently by the police.

Without cooperation from officials, animal dealers cannot smuggle animals out of the country. Certain people in airlines have also lent a hand, Mr Phong said.

Although all laws related to the issue will be amended, the officials have to be made aware of the rules of the convention. Representatives of many countries at the meeting said inadequate control results from misunderstanding of the rules, he said.

It may take some time for all amended laws to be fully implemented, he said. Additional rules will also have to be issued in Thailand to help this and to achieve closer cooperation among the authorities concerned. [passage omitted on ivory smuggling]

Party Official Opposes Interference in Election

BK0603014392 Bangkok THE NATION in English 6 Mar 92 p A4

[Text] Deputy Chat Thai leader Sano Thienthong has declared strong opposition to an outside force directing political parties in the formation of the next coalition government and dictating that they back a non-MP as premier.

In an exclusive interview with The Nation, Sano said that he wanted his Chat Thai Party to back the leader of the biggest political party to emerge from the poll as the country's next prime minister even if the coalition government would only be able to stay in office for just three or four months.

He said that political parties should stick together in forming the new administration. Chat Thai leaders, he said, had discussed with Samakkhi Tham leader Narong Wongwan and Social Action leader Montri Phongphanit the need for them to join hands and form the next government because no single party would win a majority of House seats in the poll.

"We have talked about it. If SAP [Social Action Party] emerges the biggest party, then we will back Montri as prime minister. If it's Samakkhi Tham, then Narong would become premier. We have not talked to the New Aspiration Party but as a matter of principle, Gen Chawalit Yongchaiyut should assume the top executive post if his party sweeps more House seats than any other," Sano said.

"Let me put it this way. After March 22, if there is an outside party stepping in to manage the formation of the new government, make phone calls to party leaders to invite them to a meeting and tell them who should be prime minister, the Chat Thai Party would not take it. What right do they have to tell us who would be the prime minister.

"The next premier must be an MP [member of parliament], even if his government is able to stay on for only three or four months."

Sano said that politicians exhaust themselves on the hustings and pledge the nomination of an MP as premier, therefore it would be unfair for them to let an outsider manage the whole process.

"We are ready to discuss the next government with them (the outsiders) and we are ready to accommodate their views, but they have no right to impose anything on us," he said.

Sano said Chat Thai leader ACM [Air Chief Marshal] Sombun Rahong was qualified for the top executive post despite criticizm that he lacks political seniority and charisma.

"Why can't ACM Sombun take over as prime minister. Being a good or bad prime minister would depend on his staff. Nobody is well versed in all affairs. And I am confident that ACM Sombun has rich experience and enough seniority for the top job," he said.

Sano brushed aside the possibility that Samakkhi Tham and SAP might let Chat Thai down and lean to the side of the "powers-that-be" when the crunch comes.

"I don't think that scenario would happen because I trust their word. I trust Narong in particular. I am 90 percent confident that he would keep his word," he said.

Asked about Samakkhi Tham secretary general Thiti Nakhontap's close links with the military, Sano said that the final say would rest with Narong.

"The power to sign a paper supporting anybody as prime minister belongs to Narong as party leader. If he refuses to sign any document imposed on him, nobody can force him to," Sano said.

He said that the three parties got together before the election because they wanted to pre-empt the outside power from "ordering" them around after the election.

Chat Thai is also ready to cooperate with the Democrat Party and another other parties after the poll, he said. [sentence as received]

He said that he believed either Chat Thai or Samakkhi Tham would be the biggest party after the election and the strongest candidates to the premiership would be ACM Sombun and Narong.

"We are not concerned over the election now but we are worried about the situation after the poll. We are worried about how to restore economic strength already weakened by the caretaker government of Premier Anan Panyarachun," he said.

Sano also said that Supreme Commander Gen Suchinda Khraprayun and Air Force Commander in Chief ACM Kaset Rotchananin could not become prime minister unless they quit military service and were elected to the House.

"I am sick and tired of speculation that Gen Suchinda may take over as prime minister. He has said he would take not it up and this issue should no longer be discussed," he said.

He said politicians would be seen by voters and foreign countries as liars if they reneged on their campaign promises to back an MP as prime minister.

However, Sano said that if politicians' conflicts with the military over the question of the next prime minister threatened to snowball into a "disastrous crisis", then Chat Thai would be ready to be "open-minded" and make "reasonable compromises".

"How could we be stubborn if that would lead to a crisis for the country? How could we jump into a fire in that case?" he said.

Sano said that he supported the initiative by other parties to seek amendments to the Constitution, but added that Chat Thai would move only if the prime movers, the Democrat, NAP and Phalang Tham parties, were really sincere in wanting the changes.

"We want others to make the first move because ours is a big party. If we kicked off first, then other parties would envy us and would not join in the effort. But they must prove that they are not paying only lip service. If they are really determined, then I would volunteer to lobby for support from Chat Thai members for the move," he said.

Sano was obviously angered by a proposal that politicians ruled guilty by the Assets Investigation Committee should not accept Cabinet posts.

Comparing the orders by the committee to seize politicians' "unusual wealth" with those of "robbers", Sano said: "It's as though robbers broke into our houses and forced us to do anything they liked.

"They painted our faces black or red. They ordered us to face down, then lie face up. And we could not resist them because they are robbers."

Sano said he expected Chat Thai to win 72 or more seats in the House.

Rift in SAP Said To Widen as Election Nears

BK0603015992 Bangkok THE NATION in English 6 Mar 92 p A1-A2

[Text] An apparent rift between the key members of the Social Action Party [SAP], which is tipped to be a government coalition partner, widened yesterday when the leader Montri Phongphanit rejected the appointment of an adviser by party secretary general Kasem Kraisan.

The rebuff appears to leave Kasem, who has strong military connections and reportedly was helping Montri to mend fences with the junta, without any party support in his campaign for election on March 22.

Montri yesterday vetoed Kasem's appointment of Dr Bun Wanasin as an adviser for the party election campaign, saying the appointment was made without his consent.

Kasem and Bun are said to be close friends of Supreme Commander Suchinda Khraprayun.

The apparent conflict is a further stumbling block to the party's election hopes after the Assets Investigation Committee seized Bt336 million from Montri last Saturday.

There had been speculation that Montri might be given leniency in the military-ordered assets probe after Kasem, with his strong links to the military, took over the SAP's secretary-general post.

Observers said the party's internal problems could endanger an expected alliance with the Chat Thai and Samakkhi Tham parties. These three have adopted a pro-military stand, but the observers speculate that the dissension between Montri and Kasem may signal a change in SAP's attitude toward the armed forces.

Kasem is known to have looked outside his party for support and has turned to Prachakon Thai candidate Narong Kittikachon in his attempt to win a seat in Ayuttaya from SAP candidate Bunphan Khaewattana, a three-time MP for the province.

Montri's order to block Kasem's move, a copy of which was seen by THE NATION, said the appointment of Bun, a billionaire tycoon, as adviser to the SAP's election committee had caused most party candidates to worry about its effect on their image.

The party leader added that Bun had misled the public into thinking that the SAP had a lot of money by saying during interviews that he was a major SAP financier.

"In fact, Dr Bun Wanasin has never contributed any of his money to the party," Montri said in his order annulling Bun's appointment.

Montri yesterday would not comment on the order, telling reporters "for the sake of our friendship, please

don't ask me about it". Bun was reportedly to be brought into the party by Kasem who took over the powerful post of party secretary general in the aftermath of the Feb 23 coup, which saw Montri put on the list of suspected corrupt politicians.

It was believed that Kasem was given the post in hopes that his presence in the party would result in Montri being cleared by the Military-installed assets investigation committee.

But Kasem has reportedly been trying to increase his influence in the party. Bringing in Bun was seen by political observers as part of his strategy to wrangle control of the party away from Montri.

Montri has said to have started to become suspicious of Kasem when the asset investigators branded the SAP leader "corrupt" and ordered the seizure of Bt [baht] 336.5 million of Montri's property.

Observers said the summary corruption ruling might be cited as a pretext by the leader of the next coalition government to bar Montri from a Cabinet portfolio, at which point Kasem might try to take over the SAP.

When asked about the speculation, Kasem did not rule out the possibility that he would become the next SAP leader.

"I think Montri is still qualified for the post because he is an experienced young man," Kasem said. "But if they want me to become the next leader, I will have to think about it."

SAP sources said Montri had changed his mind about wanting his uncle, Bunphan, who is strongly tipped to retain his Ayutthaya House seat, to sacrifice the seat to help Kasem make his political debut.

Instead, the sources said, Bunphan was asked by Montri to retain his seat in order to prevent Kasem from being elected, a tactic designed to check his growing influence in the SAP.

Ayutthaya's Constituency 2, where Kasem is running for one of two available House seats, is known to be the stronghold of Bunphan and Prachakon Thai candidate Norong, also a three-time MP there. Bunphan and Narong are expected to have no trouble retaining their seats

Party sources said Kasem had moved his campaign office away from the one he had been sharing with Bunphan a few days after Montri's assets were ordered seized.

Kasem's new office is only about 200 metres away from Bunphan's. The party secretary general said the shared office had been too small for both of them.

The sources said Kasem and Bunphan had stopped campaigning together and that their canvassers had separated into two groups.

Recent Cabinet, Assembly Decisions Criticized

BK0603022192 Bangkok THE NATION in English 6 Mar 92 p A8

[Editorial: "Assembly's Priorities Mixed-Up, Disappointing"]

[Text] The Anan administration seems out of form lately.

First it fixed the minimum compensation for defamation in the mass media at Bt [baht] 4 million, which the press denounced as a veiled attempt to restrict freedom of expression. It took several weeks of strong public protests to convince Prime Minister Anan Panyarachun to shelve the law.

Next the Anan Cabinet blundered in its haste to appoint a new chairman of the board of the state-owned Petroleum Authority of Thailand [PTT]. Industry Minister Sippanon Ketudat was named the new PTT chairman as of March 1. But the Cabinet found later that the current chairman's term expires on April 1. The Cabinet sheepishly had to revise its appointment of Sippanon to take effect a month later.

In the wake of the approaching end of its term following the March 22 election, the Cabinet has rushed dozens of bills to the National Assembly in recent weeks and created a backlog of over 100 pieces of legislation. Many of the bills were drafted hastily and introduced in such a way that the National Assembly President had to ask for direction on priorities.

The administration's answer to that request yesterday contained some surprises—and one big disappointment.

The Cabinet decided to let the National Assembly skip over the bill aimed at decriminalizing prostitution, which would have controlled those in the flesh trade by barring the underaged and those afflicted with HIV or other sexually-transmitted diseases from sex services. Conspicuously, PM's Office Minister Saisuri Chutikun, a champion of women's rights, was not present at the National Assembly yesterday to explain this about-face. One big flaw in the bill was that it had no answer to the question of what to do to those child prostitutes and HIV-carriers who refuse to leave the "profession".

The Cabinet's list of high priorities included the following: a bill on artesian water, a bill on land traffic, new regulations for the staff of Parliament, a bill on navigation in the Thai waters, and a bill on local administration procedures.

The Cabinet seemed to have backed down from its earlier attempt to prohibit smoking in public places and restrict the sale and distribution of tobacco products. The two bills relating to cigarettes and smoking are deliberately left to lapse in the backlog. This is a big disappointment, especially since one of the administration's policy priorities was to "upgrade the quality of life" for Thai people.

Also disappointing was the Cabinet's failure to submit any bill to guarantee a freer flow of information and protect the public's right of access to government records that should be public knowledge. The failure is inexcusable because the Anan administration had nearly the whole past year to work on it. Some ground work on a freedom of information law was started during the previous Chatchai administration. Yet the Anan administration didn't seem to have built on it and consequently it has made no visible progress on this crucial issue.

With less than three weeks left before the election, the National Assembly will probably not have time for bills that are not on the priority list, much less bills that have not yet been introduced, like a freedom of information act. This means the Anan administration will leave office without ensuring a freer flow of information although it has doubled the penalties for criminal defamation in the mass media.

Another disappointment, though not at all a surprise, is the business-as-usual attitude in the National Assembly. The time constraint doesn't seem to have stimulated the law makers to work any harder. Their meeting yesterday was called off five minutes after noon time. Asa Meksawan, a vice president of the assembly, even apologized for taking the extra five minutes of the law-makers' time.

And to make up for putting the law makers to work on the last few Thursdays, National Assembly President Ukrit Mongkonnawin yesterday cancelled all remaining extra meetings on Thursdays to give the law makers "enough time" to prepare for their weekly Friday meeting. The private interests and well-being of individual law makers seem to take precedence over national interests here.

Sadder still, many of these very same law makers will come back as appointed senators in the new Parliament.

So instead of evaluating only the Anan administration and bashing the National Peace Keeping Council, the public should pay some attention to the National Assembly and consider just how little it has accomplished over the past year.

Purchase of Swiss Turboprop Trainers Planned

BK0603021192 Bangkok THE NATION in English 6 Mar 92 pp A1-A2

[Text] The Royal Thai Air Force [RTAF] plans to purchase 10 Swiss-made turboprop aircraft worth about Bt1.5 billion with money from its own budget, a senior air force official said yesterday.

Air Force Chief of Staff ACM [Air Chief Marshal] Suthep Theppharak said the RTAF wants the two-seat PC-9 turboprop aircraft for training purposes. ACM Suthep said the RTAF currently has 21 of the aircraft, but they are ageing and costing an exorbitant amount to maintain. Each aircraft often has to fly at least three sorties a day. If new aircraft were purchased, the air force would be able to reduce the average daily flight load to 2.5 sorties, he said.

Yesterday's announcement represents the RTAF's third order for the Pilatus aircraft. It is known that the local representative for the aircraft is a businessman—long acquainted with air force leaders—who also operates both domestic civil and commercial air services and flights into neighbouring Cambodia.

The RTAF also plans to buy some used jet fighters from South Korea, according to ACM Suthep.

ACM Suthep said the RTAF wants two-seat F-5 B jet fighters to make up for a shortage of such aircraft. "We have only a few two-seat jetfighters in the squadron," he said.

ACM Suthep said he had no details on the price or number of used aircraft wanted.

However, a source said the RTAF had earlier sent experts to observe the jet fighters in South Korea. He added the air force at first wanted F-5 F jet fighters, but later changed to F-5 B because the first model was not available.

Meanwhile, ACM Suthep described as "untrue" reports that the government screening committee on economic affairs had rejected the RTAF's plan to purchase Czechoslovakia-made L-39 Albatross jets.

He said Budget Bureau director Bodi Chunnanon on programme of the five-year plan to the committee. [sentence as published] Suthep claimed the committee had given its approval to the plan when it noted the cost would be slightly over 75 per cent of the RTAF's budget.

ACM Suthep asserted there would no problem when the Cabinet considers the matter on Tuesday as the plan had already been approved by the screening committees on security and economic affairs.

He said the RTAF was not being "opportunistic" in proposing huge arms purchasing schemes during the term of the caretaker government. "We've been handling the matter step by step," he said.

Deputy Defence Minister Gen Wimon Wongwanit said yesterday the government should have no objections when it considers the purchase of the 50 advanced training jets.

Vietnam

Vo Van Kiet Receives Solomon-Led Delegation

BK0503153792 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 5 Mar 92

[Text] Under an agreement between the SRV and U.S. Governments, a U.S. delegation, led by Assistant Secretary of State Richard Solomon, visited Vietnam from 4

to 5 March. Accompanying the U.S. assistant secretary of state were Mr. Alan Ptak, deputy assistant secretary of defense; Mr. George Laudato, assistant director for Asia of the U.S. Agency for International Development; Colonel Frank Libutti, assistant to U.S. Presidential Special Emissary General John Vessey; and a number of officials of the Defense and State Departments and representatives of the National Alliance of Families of Missing Servicemen in the Vietnam War.

On 5 March, the delegation was received by Council of Ministers Chairman Vo Van Kiet. During the reception, U.S. Assistant Secretary of State Solomon informed Chairman Vo Van Kiet of the U.S. Government's wish to promote the process of normalization of the relations between the two countries. In this spirit, the U.S. Government has decided to take a number of concrete actions in response to the humanitarian needs of Vietnam in the areas of artificial limb production, public health care, displaced children, and emergenmcy humanitarian aid to places struck by natural disasters in Vietnam. He also expressed the U.S. desire for Vietnam's cooperation in solving the U.S. side's humanitarian problems, especially the MIA issue, so as to create favorable conditions for the improvement of the relations between the two countries.

Chairman Vo Van Kiet welcomed the U.S. Government's initial contributions to solving the humanitarian needs of Vietnam, and expressed his hope that those programs will be expanded in the days ahead. He affirmed the Vietnamese people and government's wish to normalize their relations with the United States in conformity with the aspirations of the peoples of the two countries, and with the present situation in the region and the world. He also reiterated that the Vietnamese side has been doing its best in the humanitarian spirit to solve the U.S. humanitarian problems, including the MIA issue. He said: Vietnam is ready to join the U.S. side in the investigation into cases with discrepant information. Vietnam hopes that the U.S. side will show its goodwill by taking concrete actions such as lifting its embargo against Vietnam and actively responding to Vietnam's humanitarian needs.

During its stay in Hanoi, the delegation was received by Foreign Minister Nguyen Manh Cam, and held talks with a Vietnamese delegation led by Vice Foreign Minister Le Mai. Also attending the talks on the Vietnamese side were representatives from the Ministry of National Defense, the Ministry of Interior, and the Ministry of Labor, War Invalids, and Social Welfare, and a number of high-level cadres from the Ministry of Foreign Affairs. The U.S. delegation said that the visit was productive and was an important step forward in the cooperation to solve the humanitarian issues, thus contributing to building mutual trust and mutual understanding to create the basis for promoting the relations between the two countries. Mr. Solomon promised to convey Vietnam's views to U.S. President Bush and Secretary of State Baker. The U.S. delegation left Hanoi on 5 March.

Commentary Views Outcome of Visit

BK0603120092 Hanoi Voice of Vietnam in English 1000 GMT 6 Mar 92

[Station commentary]

[Text] The United States Government has decided to extend its humanitarian aid to Vietnam, not only in prosthetics projects but in the areas of homeless children, medical services, and natural disaster relief. In this connection, here is our radio commentary:

The U.S. Government's decision was announced by U.S. Assistant Secretary of State Richard Solomon. At a press conference in Hanoi on Thursday, Vietnamese Foreign Minister Le Mai said that during the trip to Vietnam starting Wednesday by a U.S. Government delegation led by Mr. Solomon, the U.S. officials heard reports from officials of the Health and Labor Ministry on Vietnam's humanitarian needs.

On U.S. humanitarian support to Vietnam, Deputy Foreign Minister Le Mai said:

[Begin Le Mai recording in Vietnamese fading into English translation] My brief assessment is as follows: The total sum for several humanitarian aid programs is about 3 million U.S. dollars. The U.S. side also will contribute 3 million U.S. dollars through nongovernment organizations and U.S. aid programs for Vietnam. [end recording]

Deputy Foreign Minister Le Mai said: Vietnam is grateful for this assistance. However, he pointed out that the U.S. response remained too modest in light of Vietnam's great humanitarian needs. He further remarked that this response is not commensurate with the capacity of the United States. He said that this move would only be meaningful it it meant the start of further action. He said it would be meaningless if no more actions follow. It is what happens next that will decide the true meaning of American aid.

On the question of MIAs and POWs, Deputy Foreign Minister Le Mai said:

[Begin Le Mai recording in Vietnamese fading into English translation] This time, the U.S. made five proposals. They summed up all the proposals made previously by the United States that Vietnam had responded to positively. The Vietnamese side agreed to give the U.S. greater access to military archives with information that would resolve outstanding prisoners of war-MIA [missing in action] cases.

On the question of immediate investigation into reports that some Americans are still living somewhere here, the Vietnamese side noted that this question concerns Vietnam security and sovereignty. Although Vietnam was positive that no live Americans were being held, it agreed to short-notice field investigations. [end recording]

Mr. Le Mai said: During talks, the U.S. side expressed satisfaction with Vietnam's response and the two sides will meet again soon to map out a specific program.

He said that the best, most constructive way for the U.S. to accelerate humanitarian cooperation would be to lift the trade embargo. As long as the embargo is there, he said, an atmosphere of hostility remains.

He criticized the U.S. for preventing the ASEAN Support Group from helping Vietnam pay its debts to the IMF and World Bank. This action, he stressed, runs against conscience and is unacceptable.

However, Mr. Le Mai also described what had been achieved during Solomon's visit as an important step forward.

Vietnam and the U.S. have accelerated the process of establishing bilateral ties.

Le Mai said Vietnam believes that the process of normalizing relations at an accelerated pace will be beneficial to both countries.

Joint News Conference Held

BK0603064592 Hanoi VNA in English 0628 GMT 6 Mar 92

[Text] Hanoi VNA March 6— Before leaving here yesterday after a two-day visit to Vietnam, U.S. Assistant Secretary of State Richard Solomon told the press about seven areas of activities where the United States would increase its support for Vietnam's humanitarian needs.

Mr. Solomon continued:

"A new programme we are funding for displaced children and we will be sending a survey team here later this month to assess specific needs of orphan children and others requiring special support. Certainly we will provide additional funding for a prosthetics project. As you know, last year the U.S. Government contributed $1.3 million to prosthetics projects in this country carried out by non-governmental organisations and again we will be having a survey team sent over later this spring to assess further needs. Our Department of Veterans' Affairs will be providing $250,000 of excess durable medical equipment. When General Vessey was here in late January he announced our first contribution to natural disaster relief and again I informed the vice minister that we will be sending a survey team to assess if there is additional need for assistance beyond our initial discretionary contribution that was made in late January. The United States Information Agency will be providing 15 Fulbright scholarships for students from the Socialist Republic of Vietnam..."

In conclusion, Solomon told the press conference he was co-chairing with Deputy Foreign Minister Le Mai: "I think the vice minister and I both hope that these new agreements will be productive and will enable the process of normalisation of U.S.-Vietnam relations to move forward at an accelerated pace."

Le Mai in his turn described what had been achieved during Solomon's visit as an "important step forward." The atmosphere marking Solomon's contacts with Vietnamese officials was one of "sincerity," he said.

Le Mai pointed out, though, that U.S. response remained too "modest" in terms of Vietnam's humanitarian need and efforts. "It is not commensurate with the capacity of the United States either," he further remarked.

The Vietnamese official said although Vietnam was positive that no live Americans were being held, it had agreed to short-notice field investigations. "That shows we have nothing to hide and that we understand the need of the U.S. Government to reassure the American public," he said. Still, he stressed Vietnam's fully justified concern for its own security. "Should we think our security is effected in any way, we'll raise the matter again with Mr. Solomon," Le Mai warned. He told the United States not to evaluate Vietnam's cooperation just in terms of the number of resolved MIA cases. "The United States should realise all the efforts we've made in this regard," he said, adding that successful finds may be far and few between now because of prior exhaustive searches.

Le Mai concluded by saying that the best, most constructive way for the United States to accelerate humanitarian cooperation would oe to lift the trade embargo. As long as the embargo is there, an atmosphere of hostility remains, he said.

Official Hopes for Diplomatic Ties With ROK

SK0503123692 Seoul CHUNGANG ILBO in Korean 3 Mar 92 p 11

[Interview with Tran Quang Co, Vietnamese first deputy foreign minister, by correspondent Chin Chang-uk in Hanoi; date not given; first five paragraphs are introductory]

[Text] "I hope that the ROK Government and its people will help our country, which is facing economic difficulties.

Toward this end, Vietnam is ready to establish diplomatic relations with the ROK at an early date."

Tran Quang Co, first deputy foreign minister of Vietnam, said this in an interview at a Vietnamese Foreign Ministry reception room in Hanoi. In his interview, he hoped that his opinion would be cordially conveyed to the ROK.

Vice Minister Co also said that the ROK's economic progress is a model for Vietnam's economic reforms. He hoped that Korea would become a reunified country like Vietnam at an early date.

The following is the interview with Vice Minister Co.

[Chin Chang-uk] How do you assess the 17 years after Vietnam's reunification?

[Tran Quang Co] Vietnam's 1975 reunification was the merging of the two countries into one. Reunification had been our dream and was achieved after a long division. However, the 20-year division has caused us many problems.

We have had many difficulties in overcoming differences between North and South Vietnam. South Vietnam, which used to be a capitalist society, has different experiences from North Vietnam's.

However, those differences will disappear. What we should do is have the North and South contribute to national prosperity by taking the lead in national building.

This is because we are of the same race and in the same boat.

[Chin] Would you compare the Korean peninsula's reunification to Vietnam's?

[Co] I think that the Korean peninsula's reunification will happen in the not too distant future. North and South Korea have an environment more favorable than the one Vietnam had before reunification. I expect that North and South Korea will dream a legitimate and correct dream of reunification.

[Chin] Would you comment on Vietnam's relations with North and South Korea?

[Co] Vietnam's basic policy is to achieve economic development. I will resort to every means to fulfill this goal. Vietnam's foreign policy is to promote an international environment to fulfill this goal.

The ROK has a shortage of natural resources. It has made startling economic achievements, despite the long national division. So, it is a good model for Vietnam. I have met some Japanese who even said that they "respect" the ROK.

Vietnam is trying to overcome political barriers in carrying out its diplomacy. We do not have any political barriers in our relations with both North and South Korea. We wholeheartedly support both North and South Korea.

[Chin] If there were no political barriers, what could you say about your relations with the United States?

[Co] Following its normalization of relations with China, the Vietnamese Government is trying to normalize relations with the United States. Vietnam's withdrawal of troops from Cambodia and other obstacles that the United States has been mentioning have already been removed. So, no problem remains unsolved.

The U.S. Government is still continuously imposing political and economic sanctions on Vietnam. I think that the U.S. Administration is doing so with American voters in mind in this election year.

[Chin] Do you have anything to tell the ROK people?

[Co] I sincerely ask them to help Vietnam. I hope that the ROK Government and its people will help our country, which is facing economic difficulties. Also, in connection with this, I hope that Vietnam and the ROK will establish diplomatic relations.

Our government and people hope that North and South Korea will achieve reunification in a legitimate and peaceful way.

Vo Van Kiet Receives Thailand's Anan Letter

BK0503155392 Hanoi VNA in English 1451 GMT 5 Mar 92

[Text] Hanoi VNA March 5—Chairman of the Council of Ministers Vo Van Kiet yesterday received a letter from Prime Minister Anan Panyarachun about the Thai Government's views on activities of the Interim Mekong Committee.

The letter was conveyed by Thai Deputy Foreign Minister Wichian, who arrived here the same day.

Mr. Wichian was received by Chairman Vo Van Kiet, who said that, the member countries of the Mekong Committee should strengthen their cooperation. The exploitation and use of the Mekong River should be based on the satisfactory interets of all concerned parties in upper stream as well as in the lower basin of the rive. He held that all member countries could give their views, make suggestions for discussion in the spirit of friendship and cooperation in the framework of the present organising mechanism and procedures of the Mekong Committee, with the participation of Cambodia represented by the Supreme National Council of Cambodia (SNC). He reaffirmed Vietnam's wishes for the further development of the friendly relations and cooperation with Thailand and other countries in the region on the basis of equality, mutual benefits. And in the interests of each country and for peace, friendship and cooperation in Southeast Asia [as received].

The same day, Vice Foreign Minister Wichian met Vice Foreign Minister Vu Khoan to compare notes on a number of measures to continue developing the coooperation between Vietnam and Thailand in the spirit of the agreements reached at the Vietnamese-Thailand summits in October 1991 and January 1992.

Yunnan Province Delegation Leaves for Home

BK0503085992 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 4 Mar 92

[Text] On 26 February, Tran Duc Luong, Vice-Chairman of our council of ministers, received the Yunnan provincial delegation led by Province Chief He Zhiqiang. From 21 to 23 February, the delegation made

an observation and working tour of various provinces and economic sectors in our country, with the aim of increasing bilateral cooperation.

At the reception, Vice Chairman of the Council of Ministers Tran Duc Luong stressed that ties between Yunnan and the various provinces and economic sectors of Vietnam are a goal and show promises of developing well.

On 2 March, the Chinese Yunnan provincial delegation left for home.

Bulgarian Envoy's National Day Statement Reported

BK0503090192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 3 Mar 92

[Recorded statement by Bulgarian Ambassador to Vietnam in Vietnamese fading into announcer-read statement on the occasion of the 114th Bulgarian National Day]

[Excerpt] [passage omitted on Bulgaria's socioeconomic development and foreign affairs] We still pay much attention to our cooperation with the Socialist Republic of Vietnam, and in the future our relations with Vietnam will still be developing on the basis of the fine traditions cultivated thus far, aiming to ensure our common interests and mutual benefits. We will continue to develop all that is fine and valuable and, at the same time, will seek and apply various forms and means to arrive at new conclusions in the bilateral relations between our two countries.

In the economic and trade domains, we will develop more broadly our direct relations and will seek ways to establish joint enterprises and organize cooperative production based on common interests and mutual benefits. Our bilateral cooperation in the cultural, scientific, and educational domains are also developing on a new basis.

On this occasion, allow me to express our thanks to all the Vietnamese leaders, agencies, and organizations for their assistance and support aiming to continually develop the traditional relations of cooperation between our two countries and nations.

Dear friends and television viewers, I sincerely wish you plenty of health, happiness, and much success in your work. Thank you.

Chairman at Hieroglyphic Script Studies Institute

BK0503143192 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 3 Mar 92

[Text] Yesterday afternoon, 3 March, Council of Minsiters Chairman Vo Van Kiet paid a working visit to the institute for Chinese-style Vietnamese hieroglyphic script studies of the Vietnam Institute of Social Sciences.

This is a social science research institute that has been in operation for 20 years with noteworthy achievements in collecting, preserving, and exploiting cultural heritage contained in books written in Chinese-style Vietnamese hieroglyphic scripts, as well as in training cadres for this task to support national construction and defense.

Chairman Vo Van Kiet toured the library where he browsed through the 15,000 books of different tiles since the Le dynasty and more than 22,000 stelae—some dated back to the 5th century—that are being perfectly preserved at the institute. The chairman exchanged views with Professor Nguyen Duy Quy, director of the Institute of Social Scienses, and Professor Phan Van Cat, director of the Institute for Chinese-style Vietnamese Hieroglyphic Script Studies. They discussed the work of these institutes and questions raised in collecting, preserving, and exploiting the treasure of books and stelae. Written in that script, they contain valuable and precise information on the country and the people of Vietnam and is used to support educational research. This is aimed at enabling Vietnamese of all generations to have grounds for pride.

The Chairman said: Each nation has its own culture that profoundly reflects its origin and characteristics, from national construction and defense to socioeconomic development through various historic events. This has enabled them to stand firm and to develop.

The heroic traditions of the Vietnamese people in national construction and defense, which have been manifested in this cultural heritage, must be respectfully preserved and developed by everyone and every echelon.

It is the responsibility of social science researchers to collect, preserve, and most satisfactorily exploit this cultural heritage to help implant the indomitable spirit, revolutionary heroism, ethics, and lifestyle of the Vietnamese people in national construction and defense at present.

Radio Reviews International Ties

BK0403030192 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 1 Mar 92

[Article by Tieu Lien on Vietnam's achievements in the political, diplomatic, and economic domains]

[Text] In February, the most striking political event in Vietnam foreign relations was the official visit by Council of Ministers Chairman Vo Van Kiet to Laos, the Philippines, and Brunei.

The official friendship visit to Laos by Chairman Vo Van Kiet not only reaffirmed the special, pure, comprehensive relations between the two nations, but also ushered in the new stage for bilateral economic, cultural, and scientific-technological cooperation. It is noteworthy that both Vietnam and Laos have realized that it is neccessary to consistently strengthen their all-round cooperation in accordance with the motto: improving the result and quality of cooperation between the two countries for mutual interest, and striving to provide

each other with the most favorable conditions for the developmental interests of the two nations. Vietnam has asserted that it will continue to provide Laos, a land-locked country, with all facilities to use its seaports for export-import activities, while conducting joint research and cooperation to use the Hon La Port in Vietnam's central coastal region in accordance with the law of each country and the international law.

Vietnam and Laos have also expressed their delight to see new achievements scored by their respective countries in their relations with nations within the region and around the world. This was eloquently evidenced by the recent visit to the Philippines and Brunei by Chairman Vo Van Kiet. This political event has brought about a better understanding to people in the region that Vietnam and its neig bors really want to live in peace, security, friendship, and development.

During Chairman Vo Van Kiet's visit to the Philippines, the two countries agreed to set up a joint economic cooperation committee and a joint trade committee. Both sides also signed an agreement to encourage and guarantee investment and an agreement on sea transport. This visit has further enhanced Vietnam's foreign policy of befriending all nations in the world, especially neighboring countries.

In February, Vietnam also welcomed Chinese Foreign Minister Qian Qichen who paid an official visit to the country. This visit was an important event in the normalization of relations between the two nations. Foreign Minister Qian Qichen has affirmed the Chinese Government and people's aspiration to strengthen the traditional friendship between the two countries. During the visit, Vietnam and China signed agreements on economic cooperation and on exemption of visas for peoples of the two nations. Both sides stressed the necessity to ensure independence, sovereignty, and interests of all countries in international relations.

In early February, Comrade Phan Van Khai, vice chairman of the Council of Ministers, visited Switzerland to attend the World Economic Forum in the city of Davos. This is an annual summit participated by almost 100 countries to discuss world issues. This year's topic was "Global Cooperation and Big Competition." Although the Vietnamese delegation just attended this forum for the second time, it drew great attention from all delegates through a seminar on Vietnam under the theme "Vietnam, a Prospective New and Dynamic Member of Southeast Asia," organized by the forum organizing committee. More than 60 chairmen and director generals of corporations from 20 countries attending the seminar expressed keen interest in Vietnam's socioeconomic developments and said they want to invest in Vietnam.

This is another manifestation of new opportunities for economic development in Vietnam. Indeed, we can say that every day there are more investors wanting to invest in Vietnam. We can refer to prominent foreign delegations who visited Vietnam during the past month; they include the French trade and banking delegation, the delegation of the Hong Kong-based Asia-Pacific Council of American Chambers of Commerce; trade delegations from Germany, Thailand, and Malaysia; and economic delegations from Chinese Provinces of Guangzhou and Guangxi, and so forth. Activities of these delegations have brought about new prospects for developing the Vietnamese economy and for expanding markets in Vietnam. The German paper THE ECONOMIC WEEKLY noted that since Vietnam opened its door politically and economically, a real competition has begun in establishing new flights to Ho Chi Minh City and Hanoi. First in line was the German airline Lufthansa. This was followed by airline companies from Thailand, Malaysia, Singapore, and Australia.

A correspondent of THE WALL STREET JOURNAL recently wrote an article saying that at present the Japanese business circles are striving to engage in business with Vietnam. According to this newspaper's figures, in 1991 almost 9,000 Japanese businessmen were granted licenses to export goods to Vietnam, a twofold increase compared with 1990.

The Japanese came quickly to Vietnam in order to take an upper hand in doing business in this country. However, their activities have been limited because of the U.S. embargo against Vietnam. As for the U.S. businessmen, they have been prohibited by their own government from doing business with this country. Ms. Mathilde Genovese, chairwoman of the Hong Kong-based Asia-Pacific Council of American Chambers of Commerce, who led a 19-man delegation to visit Vietnam in February, stressed: It is a pity that U.S. business has missed a good chance to do business with Vietnam. The longer the trade embargo against Vietnam continues, the smaller the opportunity for American businessmen to do business with this country. The U.S. business community hopes that the U.S. Administration will soon realize that lifting the trade embargo on Vietnam will not only help Vietnam but will also benefit the United States in improving its economy, providing more jobs for the American people, and selling more U.S. products. Ms. Mathilde's delegation had working sessions with many ministries and sectors in Vietnam, studied many concrete projects, and issued several memoranda. However, further development in this regard depends on various factors. One of them is whether the U.S. Government will soon realize that normalizing relations with Vietnam will benefit the U.S. side itself?

Moreover, during his trip to Vietnam in late January and the beginning of February, General John Vessey, special envoy of the U.S. President on the POW and MIA issues, reached agreement with Vietnam on concrete steps for these issues in the future. Gen. John Vessey contended that during the past four years, Vietnamese and U.S. investigators and specialists have been working very hard. However, not many cases were settled. He said: I have no reason to doubt the Vietnamese Government's

statements on this issue. Gen. John Vessey further said: It is now time for our two countries to realize that we cannot mend the past, but advance to the future from what we have achieved.

Writer Defends Socialist Choice

BK0403032192 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 1 Mar 92

[Article by Doan Chuong: "History Cannot Be Distorted To Reject Our Socialist Choice"]

[Text] In the atmosphere of renovation and democracy which was initiated by the party, our renewed thinking has brought about many practical results in the theoretical, practical, and even historic domains. These are very worthy of appreciation, encouragement, and development. History and life is extremely complex. Development has never been smooth without difficulties and obstacles. In the process of development, even retrogression has occurred at times. The revolution is sometimes at high tide and sometimes at ebb tide. Whenever an obstacle or a crisis occurs, renovation is required before any further advance can be made. And renovation first of all must involve thinking. This is a scientific base of the party's correct renovation policy that has been warmly welcomed by all party members, people, and troops.

However, it is impossible not to realize that this is where life's complexities are manifested. Alongside the general tide of renovation for advancement, an opposing tendency has also appeared. Some people, even those well-read persons with much knowledge yet shallow understanding, have renovated not their thinking but the direction of their thinking. They have distorted history and aimed to reject the socialist choice of our party and people.

Among many other things, they said that in the 18th century, Vietnam and Japan proceeded from almost a similar level of departure but in the 19th century, Japan had the Meiji revolution and did wonders in the 20th century. As for Vietnam, they said not only kings of the Nguyen Dynasty refused to listen to reformers but also demanded that a survey be made to see whether the Go West or Go East movement was right and that countries around us used to be underdeveloped but in only a short period they have become dragons. Meanwhile, Vietnam has been extremist and now becomes one of the poorest countries in the world. They demanded that the rationality of the August Revolution, the resistance struggles against France and U.S. aggressors and so forth be verified.

Peace, stability, independence, and development constitute our present national policy. Once speaking of development, we must mention comparison and competition. Yet, first of all, we must depart from the real state of our potentials and specific conditions while at the same time making comparisons, studying, and correctly determining the applicable objectives, and seeking the best way to advance. It is impossible to replace science by impatience and subjectivism. Doubting correct orientations and rejecting our values worthy of pride are all the more unacceptable.

To reach a correct conclusion in any issue, there must be a concrete analysis of specific situations. In a short article, it is difficult to analyze comprehensively the case of Japan. However, it should be noted that Japan not only had the Meiji revolution and performed wonders but also nurtured a militaristic ambition in line with the Great East Asia doctrine following the (Lichun) victory in 1905 which led to a dramatic defeat in World War II, making Japan dependent on the United States. Japan's present wonder cannot be separated from a change in the attitude and policy of the United States that did not lose anything but profited much from war as compared to the (Vaibasu) financial corporation of the defeated.

Using this performance as a policy against the communist wave in the East following the war, the United States created conditions for Japan to quickly restore its economy on the ash heap of war just as the US Marshall plan which helped heal the wounds of war and restore the economy of Western European countries also had the same goal. Moreover, the fact that Japan as well as the dragon countries collected many profits from the two wars—the Korea and Indochina wars—proves that they were also aimed at the same goal in this region.

Evidently, each country has its own characteristics, ways, and solutions which we should study and learn selectively but without forgetting to take into account the aforementioned peculiarities and conditions of today's world. Uneven development is a law of capitalism in the imperialist era. Besides G-7 and dragons, many countries in the capitalist world have become unstable by the jungle law of big fish swallowing small fish. No matter how developed is capitalism, it still is not the paradise of mankind.

We lost our country to the French colonialists for nearly a century and we had to struggle for three successive years and endure countless sacrifices and losses in order to have today's status. The August Revolution and the resistance struggles against French colonialist and the United States for national salvation were the epics which glofify our nation and our country. Why are we called extremists? Why do they doubt the rationality of these epics?

Even the enemy could not brand us warlike when we launched countrywide resistance in 1946. In the book on the first Indochina war, (George Beaudahel) provided many details on France concerning this event and the different attitudes of (Valier) and (Maudiere) and concluded: Who was sincere and who was insincere? The truth was so complex to the point that each side could hold the other responsible for waging the war. However, there was a lot of proof that Viet Minh had good will. Mr. Ho sought every way to avoid the war. At the last

minute, when the war could not be avoided, they opened fire first in Hanoi so that they would not be caught by surprise.

That our nation appeared on the international arena as a pioneer nation has profound roots, though distant ones, in Uncle Ho's Go West trip in 1911, which was intended to bring us a marvellous handy guide brochure on Marxism-Leninism. His decision not to go east but to go west resulted from his profound reflection on revolutionary criticism at that time: It was impossible to welcome a tiger through the front door and a leopard through a back door at the same time. Nor was it impossible to beg the enemy for compassion. We had to rise up and stage the revolution and liberate ourselves.

Late in his life, Mr. Phan Chu Trinh had to say: The doctrine of Messrs. Ma Khac Tu [Marx] and Ly Minh [Lenin] which Nguyen Ai Quoc adored would quickly take deep root among the people and notables in our country and would succeed. The statement turned out to be true. Viewed from a certain standpoint, was Japan's Meiji revolution not the result of the Go West movement? The process of shifting from General Tokugawa's regime to the Meiji era in Japan was closely linked to the gradual substitution of the kimono by Western clothes; yet, the Japanese people have always preserved their character and traditions.

Although our people are still poor, they can be legitimately proud of their ability to wash off the shame of losing their country and they are determined to overcome poverty and starvation. Since we have used our own strength to liberate ourselves, then we are also determined to use our own strength to make our country tenfold more beautiful than it is today, just as Uncle Ho had always dreamt of and believed in for our party and people. This is our firm conviction.

Some other people have said: It was a luxury to import Marxism-Leninism into Vietnam. In a colonial society, the economic and political conditions did not permit the establishment of class collectives according to their true sense. Applying the principle of a class struggle to such a community would only cause an internecine war that would destroy reserves of great intellectual ability and tradition and the latent potential of economic development.

It is crystal clear that these people do not understand the history and society of Vietnam. They criticize the class struggle while they themselves are doing the same thing.

Our people are stalwart and indomitable. However, faced with foreign aggression—not feudalistic expansionists, but imperialist colonialists—we stumbled and did not have any exit, until Uncle Ho found the new truth of the era, which is Marxism-Leninism, and defined a path of national liberation in the socialist direction, which made our present days possible. Why is it that importing and applying Marxism-Leninism could be said to be a luxury? Just as Karl Marx's letter to (Demierre) on 5 March 1852 clearly indicated, Karl Marx was not the person who discovered the class struggle, but the bourgeoisie had used the class struggle to overthrow the feudal regime just as the English and French bourgeois revolutions and so forth had done.

Karl Marx's merit was in his dialectics of this social phenomenology, which clearly pointed out the inevitability of the proletariat's dictatorship. The Vietnamese society was formerly a colony where all the people were slaves and classes were notoriously divided. Colonialism and imperialism had rallied with reactionaries and feudalists to invade and dominate our country. Our people, composed of revolutionary classes and patriotic forces, rallied together in a united national front and rose up to valiantly struggle and liberate themselves; and they are now strenuously building their country along the party's renovation line amid the political stability of the entire society. How can this be termed an internecine war that destroyed intellectual abilities and the latent potential of economic development?

The revolution never means only victories and successes. Shortcomings and even mistakes cannot be avoided. The important point is to know how to self-criticize and learn from experience in order to advance. Some people have also said: The mechanical application of century-old principles and viewpoints—they mean proletarian dictatorship and democratic centralization—will inevitably lead to negative consequences. The principle of democratic centralization is a principle that creates a dictatorial regime. The 50-70 year old history of all socialist states has demonstrated that monopoly in the economic, political, ideological, and information domains will inevitably lead to totalitarianism and despotism. They have maintained that Stalin was even more cruel than Hitler.

They obviously do not understand anything about the theories and history of the state and organizations. Which state in the world does not belong to a class and does not constitute a dictatorship of a class and domination by a class? Was it not proletarian dictatorship and democratic centralism which gave rise to Hitler? Even though Stalin had committed shortcomings, it would still be impossible to confuse him with Hitler, who caused mankind to suffer the fascist disaster.

Do they want political pluralism and decentralization and separation of power? Have not these principles and viewpoints already existed for hundreds of years now? It should be pointed out that their dark scheme is to reject the historical role and mission of the proletariat and the communist party leadership.

By reviewing some of their main allegations, we can see that they did not distort some separate historical events, but they systematically distorted history as a whole, with the notorious intention of rejecting the socialist choice of our party and people. They reject Marxism-Leninism by focussing on three points: the class struggle, the proletarian dictatorship, and democratic centralization. They reject socialism and the communist party leadership.

They want to change direction. This is nothing strange. Life is so complex. Everytime revolutionary sentiment is declining, and if dissatisfaction is also involved, one can easily lose political orientation and think of, or accept, unhealthy ideologies.

Ideology has its own tide. At present, modern opportunistic revisionism has now appeared in the world and one of its characteristics is to distort history, attack the past, and reject the revolution. They have also raised other similar questions: We have many resources such as land, mineral oil, natural gas and other natural resources and we are even endowed with many intellectual talents. Why do we have to live in misery and suffer more than people in developed countries? Have we become more and more backward than they are? The causes are too clear. Society has been in anguish because of the pinch of the bureaucratic and authoritarian system. It has become exhausted because it has had to serve ideology and shoulder the burden of the arms race. On this basis, they step by step publicly reject ideology, agree to surrender to the enemy, and seek to attack a giant revolution until its total collapse is brought about.

Faced with the present fate of the country, responsible people cannot help but worry and be vigilant against currents of noxious winds. Our correct guideline is to carry out renovation and advance in the socialist direction. We have achieved initially very encouraging results. We must continue to overcome manifestations of rigid dogmatism and renovate our thinking in order to build an improved socialism more correctly. At the same time, we must prevent opportunistic revisionism and struggle against all manifestations that distort history, reject the revolution, and disrupt our march forward.

Australia

Russian Group Promises To Repay USSR Debts

BK0503104192 Hong Kong AFP in English 0850 GMT 5 Mar 92

[Text] CANBERRA, March 5 (AFP)—The Russian Federation would honour all debts, but needed time to meet repayments, a parliamentary delegation said Thursday.

Delegation leader Yuriy Yarov told reporters through an interpreter that Russia had decided to honour all debts of the former Soviet Union and had told Australian Foreign Minister Gareth Evans of this commitment.

Russia owes some 222 million dollars (167 million U.S.) to Australia for wool and wheat.

A spokesman for said the eight-member delegation accepted responsibility for the debt but had advised there would be a delay of some months in meeting repayments.

A spokesman for Trade and Overseas Development Minister John Kerin said the credit extended to Russia was extended by the Australian government's Export Finance Corporation.

The credit line comprised 100 million dollars (75 million U.S.) over two years for grain and 400 million dollars (301 million U.S.) with a 240-day roll over for wool and other commodities.

Repayments under the grains credit line were due to begin this month, while the last payment under the roll-over credit line had been received on December 19 last year.

Kerin's spokesman said the parliamentary delegation had advised the government the main immediate difficulty in meeting repayments was a shortage of hard currency.

Indonesians Barred From Joining Peace Boat

BK0603065492 Hong Kong AFP in English 0631 GMT 6 Mar 92

[Text] Darwin, Australia, March 6 (AFP)—Two Indonesian students have been barred from joining a "peace boat" mission to East Timor because of possible reprisals against them by Jakarta, organisers said in a statement here on Friday.

"The risk of them going simply outweigh the benefits, both for their personal security and for that of the mission," said mission leader Rui Marques in the statement.

"Of the students representing 21 countries, the Indonesians are the only ones who cannot count on some form of intervention from their home country should they be arrested or tortured," he said.

Their presence could endanger the mission by provoking Indonesia into an act of vengeance against domestic dissenters, he added.

The Portuguese car ferry Lusitania Expresso arrived in Darwin on Sunday and is due to leave for East Timor early next week, carrying some 120 students, journalists and activists.

It is intended to highlight alleged human rights violations in the former Portuguese colony since its invasion by Indonesia in 1975 and annexation the following year.

In particular, the students plan to lay a wreath at the cemetery in the capital Dili, where at least 50 East Timorese were killed in November 1991 when Indonesian soldiers opened fire on the crowd at a memorial ceremony.

Jakarta has said it will not permit the Lusitania Expresso to enter its territorial waters and has not ruled out the use of force to prevent such action.

The barred students, Aeri Harapan and Reza Mhuaram, both members of the Indonesia Democratic Front, said in the statement they understood and accepted the decision by mission organisers not to allow them on the boat.

"We are fully aware of the risks involved in going on the ship and are prepared to accept them, as we would be ashamed if Indonesia had no representatives on this mission, which seeks to halt human rights abuses in our own country," said Harapan.

"Nevertheless, we understand the position of the organisation and we will do our best to help the efforts of the mission in Darwin," he said.

Papua New Guinea

Minister Orders Inquiry Into Soldiers' Rampage

BK0603070892 Melbourne Radio Australia in English 0500 GMT 6 Mar 92

[Text] Papua New Guinea's defense minister, Benais Sabumei, has ordered a full investigation into a raid by soldiers on a settlement on outskirts of Port Moresby which had left about 100 people homeless. Brian Abbott reports from Port Moresby that the raid was in retaliation for the stabbing there of a soldier from (Karama) Barracks on Wednesday night.

[Begin recording] [Abbott] Police say about 300 soldiers ran amok in the village of (Vatuvar) for more than an hour early yesterday, terrorizing hundreds of men, women, and children who fled into the nearby hills. A nine-year old boy was slashed with a bush knife when the soldiers discovered him sleeping in a trade store.

Police say the soldiers burned 29 homes and four trade stores to the ground during their rampage. Settlers say they feared they would have been killed or burned in their homes if they stay to defend their legal property.

The defense minister, Benais Sabumei, says soldiers responsible for the raid would face disciplinary action. So far, police had made one arrest. [end recording]